



## **Association for Postal Commerce**

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### **Postal News from March 2011:**

*March 31, 2011*



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

- The Postal Service has named Ronald Stroman as the new Deputy Postmaster General.
- The Postal Regulatory Commission (PRC) released its 2010 Annual Compliance Determination (ACD) this week. In the ACD, the Commission confirms recent and future postal losses, directs the Postal Service to eliminate the intra-class subsidy for Standard Mail flats (over time), highlights all products that do not cover attributable costs, as well as workshare discounts that exceed avoided costs. It also expressed concern on the USPS' reporting of service performance measurement.
- Senator John McCain has introduced three postal amendments this week, and the Courier, Express, and Postal Observer explains what they mean.
- USPS's proposal to move to 5-day delivery by ending Saturday delivery would likely result in substantial savings; however, the extent to which it would achieve these savings depends on how effectively this proposal is implemented. USPS's \$3.1 billion net cost-savings estimate is primarily based on eliminating city- and rural-carrier work hours and costs through attrition, involuntary separations, or other strategies. USPS also estimated that 5-day delivery would result in minimal mail volume decline.
- This study represents the EMA Foundation's third report measuring the economic scope and impact of the mailing industry on the United States economy. This study like the two that preceded it shows that the mailing industry touches every private and public sector of the economy. The breadth of the impact is not surprising. Even as access to high-speed internet and mobile data expands, mail remains a critical part of the infrastructure for communications among consumers, businesses, and government at all levels. In particular, the new technologies expand the demand for the parcel delivery services that the mailing industry provides.
- The Postal Service published its unaudited February results with the Postal Regulatory Commission. USPS lost \$1.1 billion in February 2011. The year-to-date loss for FY2010 is \$1.9 billion. The Postal Service's controllable operating income for the year would be \$18 million if it did not have over \$1.8 billion in retiree health fund prepayment or workers compensation.
- The USPS on March 24, 2011, withdrew its final rule published February 28, 2011, in the Federal Register [see PostCom Bulletin 10-11] outlining standards for combined mailings of Standard Mail and Periodicals flats, and re-issued the standards as a proposed rule with comments due April 25, 2011. The rules outline a new option for mailers to combine Standard Mail flats and Periodicals flats within the same bundle, when placed on pallets, and to combine bundles of Standard Mail flats and bundles of Periodicals flats on the same pallet.

- The USPS last week published on its RIBBS web site its policy for providing ACS refunds to Periodicals Intelligent Mail barcode Full-Service mailers who received traditional ACS notices or hardcopy notices during the period between September 25, 2010, and February 24, 2011, with some exceptions. The USPS also laid out the process for obtaining the ACS refunds going forward.
- The USPS this week sent to its Address Correction Service (ACS) customers a reminder that effective April 17, 2011, some ACS prices will go up. The USPS also provided its ACS fulfillment plans in terms of when transactions will switch to the new prices.
- In case your company missed it – since the information was posted by the USPS on its RIBBS web site this week with no other notice sent out to mailers – the USPS has published information on its Intelligent Mail barcode (IMb) Full-Service “certification” process.
- The Postal Service has issued proposed rules that would amend postal regulations to improve the administration of the Post Office closing and consolidation process. It also states that certain procedures employed for the discontinuance of Post Offices would be applied to the discontinuance of other types of retail facilities operated by Postal Service employees. Dean Granholm, Vice President, Delivery and Post Office Operations, spoke to the trade press this week highlighting the major changes that appear in the Federal Register Notice.
- The President of the National League of Postmasters describes additional changes are part of the USPS reorganization announced last week.
- Senator Carper reacts to PRC advisory opinion. Senator Collins comments on PRC advisory opinion. Senator Durbin meets with PMG. USPS’s eagle crashes, privatization needed. USPS delivers a bill of good to taxpayers. USPS proposes easier path to closing US offices. Accenture adds digital mail to postal portfolio. PRC approves Adult Signature Service. USPS to hold another Every Door Direct Mail webinar.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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




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Materials from a press briefing on the Postal Service's proposed rule on the closure of post offices, stations, and branches. [Background](#) | [Overview](#) | [FAQs](#)


 [Washington Post](#): The financially strapped Postal Service wants to streamline the process for closing local offices.

 [American Postal Workers Union](#): APWU President Cliff Guffey has been asked to testify about the union’s tentative Collective Bargaining Agreement before the House Committee on Oversight and Government Reform, whose powerful chairman has publicly condemned the new agreement and said it is too generous to postal employees. Chairman Darrell Issa (R-CA) said the April 5 hearing will “examine the sustainability and affordability of the postal workforce, in light of the USPS’s looming insolvency and poor financial outlook.” Contract renewals present the best chance for the USPS to find savings, Issa said, but the Tentative Agreement “looks like a missed opportunity.” Rep. Dennis Ross (R-FL), chairman of the Subcommittee on the Federal Workforce, U.S. Postal Service and Labor Policy, also expressed “serious concerns” about postal employees’ pay. The union president was undaunted. “Postal workers are part of the great American middle class. Political leaders should find ways to create new and better jobs – they should not try to knock ours down,” Guffey said. “The Tentative Agreement is an example of the benefits of collective bargaining – even in difficult economic circumstances,” he added. “The

proposed contract is good for postal workers and good for the USPS. “The union’s main goals were to preserve jobs and to lessen the hardships associated with excessing. The Tentative Agreement will help accomplish those objectives. The USPS is seeking to reduce costs and increase workforce flexibility. The agreement will help management meet its objectives as well,” he said.

 [From the Federal Register: Postal Service](#)

- Forwarding and Return Service for Parcel Select Mailpieces , 17784–17787 [2011–7405] [\[TEXT\]](#) [\[PDF\]](#)
- Market Dominant Negotiated Service Agreement for First-Class Mail and Standard Mail , 17787–17788 [2011–7403] [\[TEXT\]](#) [\[PDF\]](#)
- Post Office Organization and Administration: Establishment, Classification, and Discontinuance , 17794–17801 [2011–7555] [\[TEXT\]](#) [\[PDF\]](#)

 [Dead Tree Edition](#): The controversial proposed labor contract between the U.S. Postal Service and the American Postal Workers Union includes an unusual bonus for the world’s largest postal union: a USPS-funded incentive of up to \$7,000 annually for thousands of “non-career” employees to join APWU. The incentive would come in the form of a health-insurance benefit for “postal support employees” – the new name for casual and temporary workers. After one year on the job, they could sign up for employer-sponsored health insurance, with USPS paying 75% of the premium if they choose the "APWU Consumer Driven Health Plan".





A new 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 Wally Olihovik at (703) 248-2201 or Agapi Doulaveris at (703) 248-2286.


[Management Advisory – Benchmarking Mail Distribution to Carriers \(EN-MA-11-001\)](#). The Postal Service may have opportunities to improve operations by adopting some industry best practices for distributing mail to carriers. Having part-time employees case and prepare mail within delivery units could result in annual reduced workhour costs between \$621 million and \$2.3 billion and greater flexibility for the Postal Service.



Posted on this site are the slides used during the Postal Service's webinar on [Every Door Direct Mail](#).


 [Yahoo! News](#): Europe and the CIS (Commonwealth of Independent States) are the most connected with about 12.5 mobile phones for every 10 people, followed by The Americas with about 9 phones for every 10 people. Worst is Africa with only 4 phones for every 10 people. *[EdNote: And, no, everyone everywhere does not have his or her own postal mailbox.]*

 [Gizmodo](#): When QR Codes were first introduced to the masses, they were a novel concept: You saw a weird looking digital pattern confined by a square box. You took a photo of it with your phone. It then launched whatever app/website it told your phone to and you were then informed. In theory that sounds fine. In actuality, it was an unrefined technology with an unsatisfying end reward more often than not. First you had to spend time firing up your camera, or whatever QR-compatible app made use of your camera. Then you had to line up a shot of the QR Code. Then it processed the photo and shuffled you into another app (web browser, perhaps?), where you were privvied to what ever facts of life you needed (most likely some fluffy marketing BS). A first world problem, to be sure. But within the realm of usable technology, QR Codes weren't exactly convenient.

 [Asia Times](#): Japan Post Bank is now the largest holder of personal savings in the world, making it the world's largest credit engine. Most money today originates as bank loans, and deposits are the magic pool from which this credit-money is generated. Japan Post is not only the world's largest depository bank but its largest publicly owned bank. By 2007, it was also the largest employer in Japan, and the holder of one-fifth of the national debt in the form of government bonds.


 [GenevaLunch](#): More packages are being sent in Switzerland, the letter business remains strong and more people are switching their banking to Post Finance, says Swiss Post. The result is higher profits for 2010, up from CHF728


million in 2009 to CHF910 in 2010, a 25 percent increase. Revenues (operating income) were CHF8.36 million. The national postal system argues that it needs strong profits “to further increase its equity, help finance the pension fund, fund its investments and distribute an appropriate share of profit to the Confederation.”

 **Washington Post:** Postal officials — eager to stave off an estimated \$7 billion in losses this year — think they can save about \$3 billion annually by stopping weekend mail deliveries while still keeping post offices open on Saturdays. A new GAO report agrees USPS could save \$3.3 billion by cutting the work hours of letter carriers and reducing operational costs to better match declining mail volume. Auditors said total savings would depend on how quickly the Postal Service implements any changes and whether they’d have any impact on overall service.

 **Hellmail:**

- [Royal Mail Abandons Mail Pickup Charge For Business](#)
- [Ctrack Launches Online Vehicle Tracking Solution](#)
- [Secured Mail Opens Warrington Site As Expansion Continues](#)
- [Royal Mail Stamp Prices To Rise From Monday](#)
- [Air Freight Under Spotlight After Hoax Bomb Discovered](#)

 **Post & Parcel:** US regulators have demanded that the US Postal Service correct its pricing imbalance, which currently sees 10 market dominant products failing to pay for themselves. Issuing its fourth annual review of USPS activities, the Postal Regulatory Commission said yesterday that the USPS should stop subsidising loss-making monopoly products with revenues from elsewhere. For the first time ever, the Commission said one of the USPS products – Standard Mail Flats – was not in compliance with US law. It has ordered the USPS to rectify the situation “as soon as practicable”. The report said the losses from the 10 market dominant products added up to a \$1.7bn hit to USPS finances during 2010. This included a \$577m loss from flats deliveries and a \$611m loss from periodicals, as well as losses from non-profit mail.

 **The Street:** 3i Infotech, a global information technology and business process outsourcing (BPO) company, and Zumbox, the leader in digital postal mail services, announced today a partnership to enable 3i Infotech clients to send electronic bills and other customer communications via Zumbox. Among other valuable benefits, the partnership will assist 3i Infotech clients in driving electronic bill adoption, promoting print suppression and cutting costs.


*March 30, 2011*


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


The Postal Service will conduct another webinar planned to provide information and explain the benefits of "Every Door Direct Mail" - a new program designed to make Direct Mail easier and less costly for local businesses. The webinar will highlight this exciting new service to help kick off the "Grow Your Business" campaign planned nationwide during April through June, and you will also learn about on-line information and new tools being made available to local businesses - and about the many local events planned all over the country during this period . . . . Webinar Title: Every Door Direct Mail. When: Wednesday, April 6, 2011 at 2:00 pm Eastern Time (for 90 minutes). Please note: no reservation is required and you can join in the call anytime within 30 minutes of the start time.



<https://usps.webex.com/usps/onstage/g.php?d=995788610&t=a>





**Federal News Radio:** We are learning more about some innovative proposals to reform the U.S. Postal Service. One idea: to offer sensor network services using the postal delivery vehicle fleet. Michael Ravnitzky wrote an op-ed on this in the New York Times recently. He is Chief Counsel to the Chairman of the Postal Regulatory Commission, but he's speaking to us today as a private citizen, as well as an attorney and engineer. He explains how the plan might work.  [mp3](#)

 [Direct Marketing News](#): The US Postal Service began a product sampling initiative this week, targeting more than 250,000 consumers in Chicago, Denver and Austin, Texas, as well as about 75,000 opted-in consumers across the country. Brands including Wisk, Starbucks and Nestle are distributing products through the “Sample Showcase” program at launch. The first round of samples will be placed into the mailstream this week and should reach consumers within the next three weeks, said Dave Lewin, PR representative at the USPS. The organization worked with sales and distribution firm StartSampling on the initiative.

 [Manchester Evening News](#): Facilities management firm Romec has agreed a 10-year extension to its contract to maintain the Royal Mail’s property portfolio. The deal could be worth up to £1.8bn. Stockport-based Romec, which is a joint venture between international infrastructure group Balfour Beatty and Royal Mail Group, will provide services including electrical, plumbing, security and cleaning.


  [Business Wire](#): Howard University, one of the nation’s leading research institutions, has selected Swiss Post Solutions as its partner to facilitate the day-to-day operations of the University postal services as well as graphics and print services at its Washington, DC campus. The partnership is a key component of “Campus Connect,” which is part of a larger administrative renewal initiative to improve services to the University’s 11,000 students and more than 5,000 faculty/staff members.

 [Wealth Daily](#): Of all of Cliff Clavin's goofy predictions, the one about the future of e-mail may just take the cake. After a lifetime spent delivering the physical mail, Cliff dismissed the electronic version entirely, predicting: ". . . . The computer's going to be dead in about 5 years, anyway. The Post Office will rise again, my friend, will rise again. . . ." That was almost ten years ago. Since then, things have gone downhill for the Cliff Clavins of the world — along with their venerated United States Postal Service (USPS).

 [Postalnews Blog](#): It has been a while since we last heard from the so-called “Consumer Postal Council”, the self-styled postal “watchdog” which is in reality a front for the radical libertarian lobbying group, the Lexington Institute. Lexington VP Don Soifer, who refers to himself as the “executive director” of the “Council” when he pontificates on postal matters, has written a rather odd opinion piece that was published in today’s Tennessean. In it Soifer comes up with a new talking point: the USPS is “ignoring the little guy”. This is an interesting position for an organization funded not by “postal consumers”, but by big corporate sponsors; and which has been called “basically a front for defense contractors” by Forbes magazine. Soifer contends that the USPS is harming the “little guy” by offering its Parcel Select service only to “big mailers”. Parcel Select allows shippers to drop packages close to their destinations, paying the USPS only for “last mile” delivery service.



The [Envelope Manufacturers Association Foundation](#) has published an update of its previous study of jobs and the mailing industry. A copy has been posted on this site. We thank the Foundation for its permission to make a copy of that key mailing industry available to you here.


 **DMM Advisory: New Postage Statements Available Online.** New postage statements associated with the April 17, 2011, price change are available on [usps.com/prices](http://usps.com/prices). The ‘Postage Statements’ link can be found under the ‘Related Links’ section at the bottom of the page. As of April 17, all postage statement facsimiles dated prior to January 2011 are obsolete. Postage statement facsimiles dated January 2011 and April 2011 may be used to pay the postage prices effective on April 17, 2011. If the January 2011 statement is used, it must reflect the April 17 prices. For new products implemented April 17 — or products subject to any new postage statement fields effective April 17 — only the April 2011 postage statement can be used. Once the date has been determined to make the use of April 2011 postage statements mandatory for all mailings, the mailing community will be advised.


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





In offering Amendment 251 of S. 493, the bill reauthorizing a number of Small Business Administration programs, Senator McCain proposes to reduce the Postal Service's share of the the health insurance premium from 81% to 72% and reduce the Postal Service's share of the life insurance premium from 100% to 33%. According to the Government Accountability Office this would have saved the Postal Service \$619 million in FY 2009. Given increases in health insurance premiums, this is likely significantly higher today. This amendment has different effects for the Postal Service's unionized and non-union employees. The Postal Service could implement this provision nearly immediately for its non-union employees. For unionized employees, it takes benefits off of the negotiating table. It would likely require the Postal Service to amend the language in the recently negotiated APWU contract to comply with the provisions in this amendment. For the Postal Service's other three unions, the amendment changes the dynamics of contract negotiations as it would force a reduction in total compensation before negotiations begin.

In offering [Amendment 252 to S. 493](#), Senator McCain proposes lower limits on compensation of postal employees. The amendment removes a section from current law and appears to add a new section but does not identify a section number for the new language. Senator McCain's amendment changes the limit on the salary paid to the Postmaster General from \$276,840 to \$230,700. It may affect compensation packages of other senior officers. It ties the change to the Postal Service's payment of its obligations to the United States Treasury. The restrictions do not exist if the obligations are to private sector lenders. This would assume that the Postal Service can issue debt instruments to private sector lenders and private sector lenders would be willing to hold such debt.


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


 French postal unions called for a nationwide strike on Tuesday this week. With their protest the unions CFDT, CGT, SUD and CFTC decry the deteriorating working conditions at La Poste.


 According to unconfirmed rumours Swiss Post considers the disbandment of its Swiss Post International unit. The post consolidates its import and export business and its international mail and parcel activities in 15 countries in Europe, North America and Asia in this division.


 Dutch TNT Post does not support the setting up of a fund to finance improved working conditions for postal delivery staff in the Netherlands.

 The decline in letter mail volume at Finnish Itella dramatically accelerated.

 Belgian bpost will focus on automatic parcel terminals in the future.


 The EU cleared state aids for UK Post Office Ltd.


 La Poste took over French B2C marketing specialist Mediaprism Group (turnover 2010: 20m euros, 60 employees) via its subsidiary Mediapost.

 20 years after the split up of the former Bundespost, Deutsche Post will surpass the turnover of its former sister company, Deutsche Telekom for the first time ever.





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.)*


 [Courier, Express, and Postal Observer](#): Senator John McCain wants to make to the section of the Title 39 U.S.C. that describe public policy regarding rural post offices.


 [Postalnews Blog](#): Here is [part of] the GAO's summary of its findings: USPS's proposal involves several factors that need to be considered. It would improve USPS's financial condition by reducing costs, increasing efficiency,


and better aligning its delivery operations with reduced mail volumes. However, it would also reduce service; put mail volumes and revenues at risk; eliminate jobs; and, by itself, be insufficient to solve USPS's financial challenges. USPS's role in providing universal postal services can affect all American households and businesses, so fundamental changes involve key public policy decisions for Congress. If Congress decides 5-day delivery is necessary, then Congress and USPS could factor the savings into deliberations about what package of actions should be taken to restore USPS's financial viability. Conversely, if Congress maintains the mandate for 6-day delivery, Congress and USPS would need to find other ways to achieve equivalent financial savings, so that the package is sufficient to restore USPS's financial viability. This would likely entail difficult decisions with broad implications for USPS's infrastructure, workforce, and service. As GAO has reported, a package of actions by Congress and USPS is urgently needed to modernize USPS's operations, networks, and workforce.

 [Malaysia Star](#): Khazanah Nasional Bhd and its advisers yesterday shortlisted three companies for the sale of its 32.21% stake in Pos Malaysia Bhd. According to sources, the three companies are DRB-HICOM (M) Bhd, Nationwide Express Courier Services Bhd and Scomi Group Bhd. The shortlisted parties were invited yesterday to present their proposals to an independent panel evaluating the deal.

 [Beaumont Enterprise](#): U.S. Sen. Dick Durbin said he met Tuesday with the postmaster general to discuss the possible consolidation of U.S. postal services in Rockford with those in Carol Stream. Durbin said he thinks Postmaster General Pat Donahoe understand the importance of keeping jobs in Rockford and elsewhere in Illinois. "The Rockford area simply cannot afford to lose stable, good-paying jobs," Durbin said. The proposal would move operations from Rockford to Carol Stream.

 [Washington Post](#): The Postal service could save a substantial amount of money by reducing mail delivery to five days, the Government Accountability Office said Tuesday. In its analysis, GAO looked back at postal operations in 2009 and calculated that if there had been no Saturday delivery that year the post office would have saved \$3.3 billion. The GAO report comes just days after the independent Postal Regulatory Commission issued its own report, calculating that the post office had overstated its projected savings from ending Saturday delivery by \$1.4 billion. The final decision on Saturday delivery will be made by Congress.

 [The Tennessean](#): Despite holding monopolies on both first-class mail and the use of customers' mailboxes, the Postal Service's future viability does seem to depend on identifying new revenue. But as the government agency seeks to reach new business customers, it must not take advantage of its monopoly consumers.

 [Business Wire](#): Expanding its line of postal services, Accenture has announced it will enable postal agencies worldwide to offer digital mail – a digital version of printed mail securely delivered to an online mailbox – to their customers to recapture lost revenue from a steady decline in mail volumes and to compete against a growing number of independent operators currently offering digital mail direct to consumers. Accenture works with more than 20 postal clients around the globe, including some of the world's largest posts, and its systems help deliver more than 50 percent of the world's mail.

 [Hellmail](#):


- [Royal Mail Stamp Prices To Rise From Monday](#)
- [European Premiere For Transport Marketplace At Multimodal 2011](#)
- [Postal Union Raises Concerns Over Royal Mail Financial Status](#)
- [Many Hands Make Light Work With Help From uShip And A Few Friends](#)
- [Experian QAS and REaD UK Partnership Helps Marketeers Track Changes In Customer Data](#)
- [UK Mail European Distribution Network Sees 25 Percent Growth](#)
- [CWU Announces Post Office Pay Deal](#)

 [From the Federal Register: Postal Regulatory Commission NOTICES Post Office Closings](#) , 17717–17718 [2011–7396] [\[TEXT\]](#) [\[PDF\]](#)

 *At the Postal Regulatory Commission:*


- **ACR2010 PRC-ACR2010-LR1** - FY 2010 Postal Service's Product Finances  
<http://www.prc.gov/docs/72/72388/ACR-LR1.zip>
- **ACR2010 PRC-ACR2010-LR5** - FY2010 Periodicals  
<http://www.prc.gov/docs/72/72392/ACR-LR5.zip>
- **ACR2010 PRC-ACR2010-LR2** - FY 2010 Cost Workpapers  
<http://www.prc.gov/docs/72/72389/ACR-LR2.zip>
- **ACR2010 PRC-ACR2010-LR4** - FY 2010 Standard Mail  
<http://www.prc.gov/docs/72/72391/ACR-LR4.zip>
- **ACR2010 PRC-ACR2010-LR8** - FY 2010 Mail Processing and Delivery Costs  
<http://www.prc.gov/docs/72/72396/ACR-LR8.zip>
- **ACR2010 PRC-ACR2010-LR6** - FY 2010 Package Services  
<http://www.prc.gov/docs/72/72394/ACR-LR6.zip>
- **ACR2010 PRC-ACR2010-LR7** - FY 2010 Special Services  
<http://www.prc.gov/docs/72/72395/ACR-LR7.zip>

*March 29, 2011*

 **Bloomberg:** The U.S. Postal Service, which projects it will reach its \$15 billion borrowing cap by the end of September, wants to make it easier to close some of its 31,871 post offices for economic reasons. A change proposed by the agency, which has lost money for five consecutive quarters, would allow post offices to be considered for closing for reasons including “insufficient customer demand” demonstrated by declining mail volume, revenue or local population trends, according to a notice published today in the Federal Register.


 Senator John McCain has introduced three postal amendments:


- [Health insurance contributions](#)
- [Close non-performing post offices](#)
- [Limitation on pay for officers](#)


 **National League of Postmasters:** The National League of Postmasters has provided additional information on post office redesign.

 *At the Postal Regulatory Commission:*


- [ACR2010](#): FY2010 Annual Compliance Determination Report


 **Government Accountability Office:** The Government Accountability Office has issued its [report](#), U.S. Postal Service: Ending Saturday Delivery Would Reduce Costs, but Comprehensive Restructuring is Also Needed, GAO-11-270.


 **BBC:** Staff who work in Crown post offices have been offered a pay rise and a cash lump sum after they voted earlier this month to go on strike. Staff were offered a 3.68% pay rise over the next two years in addition to a cash payment of £1,000, the Communication Workers Union (CWU) said. The deal also guarantees no branch closures over the next 12 months.


 **Times of Zambia:** Government has called on Zambia Postal Services Corporation (Zampost) workers to change their attitude towards work for the organisation to be able to compete with other emerging postal service providers effectively.





 [Seeking Alpha](#): Private industry already has the modernized and streamlined infrastructure that the USPS requires. The USPS could either partner with these organizations during its modernization effort to ensure no disruption of service occurs, or further reorganize as a private entity (for which the legal precedent already exists by virtue of the Postal Reorganization Act of 1971) under these private delivery services in order to effectively modernize its distribution network.


 [PRNewswire](#): Philip F. Rubio, assistant professor of History, North Carolina A&T State University has been awarded the Rita Lloyd Moroney Senior Prize from the U.S. Postal Service for his book, *There's Always Work at the Post Office: African American Postal Workers and the Fight for Jobs, Justice, and Equality* (Chapel Hill: Univ. of North Carolina Press, 2010).


 [Post & Parcel](#): Software and pattern recognition specialist Prime Vision has been working with TNT to extend postal retail outlets in the Netherlands through kiosks located in partner premises. The partnership has allowed TNT Post Retail to offer a range of web-based services through the kiosks, which are available for use by customers in high street stores.



 [Postalnews Blog](#): An amendment introduced by Senator John McCain would change that, requiring the USPS not to exceed the percentage contribution paid for other federal workers. The amendment would be enforced by depriving the USPS of its borrowing authority in any fiscal year that it fails to comply.

 [From the Federal Register: U.S. Postal Service. Proposed rule.](#) This proposed rule would amend postal regulations to improve the administration of the Post Office closing and consolidation process. In addition, certain procedures employed for the discontinuance of Post Offices would be applied to the discontinuance of other types of retail facilities operated by Postal Service employees.


 [Deccan Herald](#): All India Postal Employees Union - postmen, MSE and group "D" staff- has threatened to go on an indefinite nationwide strike in support of their demands.


 [eSecurity Planet](#): E-mails claiming to come from the United States Postal Service (USPS) are currently being used to deliver a Trojan downloader. "The spam emails pose as failed delivery notifications and bear a subject of 'Post Express Information. Your package is available for pick up,'" writes Softpedia's Lucian Constantin.


 [Postal Technology International](#): The Industrial Court has granted the Botswana Postal Services Workers Union (BPSWU) a reprieve to temporarily stop the rationalising exercise where employees of Botswana Post stand to lose their jobs. The union had lodged an urgent application on the grounds that the haste with which management of Botswana Post has handled the rationalisation has precipitated an unfair situation that leaves the livelihood of dozens of employees hanging in the balance.

  [Bloomberg](#): United Parcel Service Inc. (UPS) is adding four flights a week from Hong Kong to Europe and FedEx Corp. (FDX) will start a new nonstop route to South Korea as growth in Asian shipping demand outpaces expansion in the U.S.

 [Wired](#): "Postage Stamps Delivered Anthrax Suspect to FBI."

 [Post & Parcel](#): Canada Post has signed a contract for partner company Aditya Birla Minacs (Minacs) to operate its call centre operations.

 [Post & Parcel](#): French postal workers look set to strike opposing changes being made in working conditions at La Poste. The unions CFDT, CGT, SUD and CFTC have called for their postal colleagues to refuse work as part of a national day of action on the streets of France. The unions are complaining at what they claimed to be a "worrying" deterioration of working conditions at La Poste, "destructive" restructuring and a shortage of delivery personnel, as well as safety issues for staff.

 **Washington Times:** Almost two centuries later, our government's monopoly on mail delivery carries on in the form of the United States Postal Service (USPS), an institution whose origins actually predate America's founding, and whose business model is similarly antiquated. But in the 21st century, faced with private competition for parcel delivery from the likes of UPS and Federal Express, and profoundly transformed electronic commerce and communications landscapes, this inefficient quasi-government institution is hopelessly anachronistic.

**ThinkProgress.org:** The defining political story three months into 2011 is the spread of anti-union legislation in the states. Now, a leading senator on the right wants to eliminate collective bargaining rights at a federal level. During an interview with ThinkProgress in Des Moines this weekend, Sen. Jim DeMint (R-SC), a leader of the Tea Party movement and veritable kingmaker for conservative candidates, made no bones about his desire to diminish the power of public employees. DeMint told ThinkProgress that he "doesn't believe collective bargaining has any place in government...including at the federal level." The South Carolina senator then went on to call public employees' unions an "unelected third party" that enjoyed "monopoly power" in negotiations.

**March 28, 2011**

### Pre NPF - Executive Overview

Join PostCom for a FREE webinar on April 12, 1:00 pm Eastern. Register now, as space is limited:

<https://www1.gotomeeting.com/register/913201913>

Please join the Association for Postal Commerce this free webinar . With over 130 workshops and special events scheduled for the National Postal Forum in San Diego, CA May 1 - 4, 2011 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. This web event will be presented by Rose Flanagan, Manager Postal Strategies and Logistics, DataMail, Newington, CT.



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

**Press Release:** Free Web Event Discusses Value of Address Quality Learn about the 3Cs of address quality and how BCC can help. "The 3Cs of Address Quality," scheduled for 2pm ET Thursday, March 31. In this [free one-hour session](#), BCC President **Chris Lien** and Product Manager **Mitch Carpenter** will discuss these topics, show you how to ensure your mailpieces get to their intended recipients, and field your questions at the end of the session. ([Register now](#) for the event.)



**It's official. Ron Stroman will be the next Deputy PMG.** Stroman, who most recently served as staff director, Committee on Oversight and Government Relations at the U.S. House of Representatives, will lead all outreach and communications with congressional and mailing industry leaders as well as help ensure that every customer experience is a positive one. The Deputy Postmaster General (DPMG) position, like the Postmaster General position, is hired by the Postal Service Governors. As Deputy Postmaster General, Stroman will serve on the Board of Governors and on Postmaster General Patrick R. Donahoe's Executive Leadership Team. The vice presidents of Government Relations, Corporate Communications and Consumer and Industry Affairs will report to Stroman. "The Board of Governors



are pleased that Ron has accepted this appointment,” said Louis J. Giuliano, chairman, Postal Service Board of Governors. “His depth of understanding of the legislative process as well as his demonstrated ability to work with members on both sides of the aisle makes him an important addition to the USPS team as we work through the many issues facing us today.” As DPMG, Stroman will play the lead role in continuing to work with Congress to restructure the prefunding of retiree health benefits, adjust delivery frequency, and gain greater flexibility in aligning the Postal Service processing, distribution and retail networks. He will work closely to help strengthen relationships with the mailing industry and identify opportunities to improve interactions with postal customers. Stroman has held senior positions at the U.S. House of Representatives, the General Accounting Office and the U.S. Department of Transportation, among other positions. He earned his Juris Doctorate from Rutgers University Law Center.

 *At the Postal Regulatory Commission:*

- **CP2011-62** Order No. 703 - [Order Approving Request to Add New Product to the Competitive Product List](#)
- **MC2011-23** Order No. 703 - [Order Approving Request to Add New Product to the Competitive Product List](#)
- **List Of Suspended Post Offices** <http://www.prc.gov/docs/72/72364/PR-LR-1.pdf>



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


**Is Five-Day Delivery In The Future?** Last week the Postal Regulatory Commission (PRC) issued its advisory opinion on the U.S. Postal Service's proposal for five-day delivery. The PRC was unable to reach a consensus and the Postal Service released a statement saying they will continue to press its case before Congress. What would your recommendation be on five-day delivery? [LINK](#) here to share your thoughts.


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

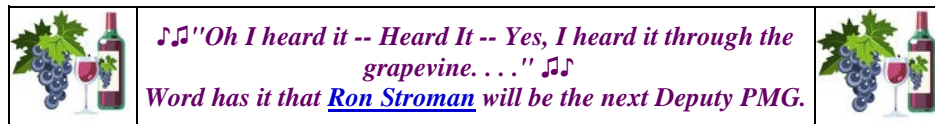
A new audit project has been started on the external website.


- **[Parcel Delivery Business – 11RG012MS000](#)**. Competitive products are a promising growth opportunity for the Postal Service, especially parcels mailed by businesses to consumers. The Postal Service forecasts that the volume of competitive products will increase 40 percent over the next decade. Our objective is to evaluate the Postal Service's efforts to increase its share of the parcel delivery market.
- **[Mail Verification Procedures at Detached Mail Units – 11RG013MS000](#)**. Before accepting bulk business mail, Postal Service employees verify that the mail qualifies for the class and postage rate paid. When there is an operational advantage, the Postal Service sets up an on-site acceptance unit at the mailer/mailing agent's production facility. These units are designated as detached mail units (DMUs). This audit seeks to evaluate mail verification procedures at DMUs for Standard and First Class mail.
- **[The Sufficiency of Postal Services Recent Policy Changes Regarding Conflicts of Interest – 11YG020CA000](#)**. The Postal Service has specific policy prohibiting contracting with current and former employees except under certain conditions. However, the Postal Service's policies and internal controls did not prevent this from occurring. On September 20, 2010, the Office of Inspector General (OIG) issued an audit report on the U.S. Postal Service Purchasing Policies that revealed the Postal Service had not followed applicable policy when awarding noncompetitive contracts to former Postal Career Executive Service executives. The OIG recommended that the Postal Service strengthen the oversight and transparency of noncompetitive contracts, maximize competition, ensure best value, and avoid any actual or apparent conflicts of interest in the contracting process. In response to the recommendations the OIG made in the audit report, the Postal Service implemented revisions to the purchasing policies and procedures regarding conflicts of interest related to noncompetitive contracts and contracts with former executives. Senator Collins requested a follow-up review of the Postal Service's policies regarding


conflicts of interest related to noncompetitive contracts and contracts with former executives. The OIG will determine if Postal Service's recent purchasing policy changes are sufficient to promote accountability and impartial and cost-effective contracting decisions.


 **Wall Street Journal:** Consumer spending rose by 0.7% in February, more than in January, the Commerce Department said Monday. The increase was the largest since October and the eighth straight. Spending is a crucial part of the economy, making up 70% of demand in gross domestic product. The pickup in spending came as personal income rose by 0.3%. The saving rate, meanwhile, slid to 5.8%.

 **Trend:** The Azerbaijani Communications and Information Technologies Ministry stated on Monday that it plans to take part in discussing issues of postal service reliability and safety




 **Mid-Day:** "Is your PC the new PO?"

 **MarketWatch:** Japan Post has resumed service throughout Tohoku region, parts of which were devastated by the magnitude-9 earthquake earlier this month, according to national Broadcaster NHK. Service to four prefectures resumed on Saturday, while Miyagi and Iwate Prefectures saw their postal services resumed Monday. Deliveries to the areas had been disrupted since the earthquake struck on March 11.

 **GenevaLunch:** Three Swiss groups are coming together to offer the first national bike sharing system, which will be put into operation this summer. Rent-a-Bike, Switzerland's largest bike rental company, is partnering with the CFF train company and Swiss Post's postal bus system to offer regular and electric bikes in 20 locations, to start. Swiss Post has been increasing its use of electric vehicles for some time and one-third of Basel's scooters for postal deliveries are now electric. They are calling the project "the country's first national bike sharing network", with bikes available around the clock.



The March 2011 issue of [Postal Technology International](#) is now available online! Packed full of news, interviews and features

 **Newstalk ZB:** The rise of technology and the economic downturn are marking a mark on traditional postal services provided by New Zealand Post. The state owned company says it now delivers on average 20% less mail per address than it did three years ago. They say the decline of traditional mail has been made worse by the recession as businesses seek to cut costs by increasing email use.

**March 27, 2011**

 **From the Federal Register:** **POSTAL REGULATORY COMMISSION** Sunshine Act Meetings.  
Wednesday, April 6, 2011, at 11 a.m.


Commission hearing room, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001. STATUS: Part of this meeting will be open to the public. The rest of the meeting will be closed to the public. The open part of the meeting will be audicast. The audicast can be accessed via the Commission's Web site at <http://www.prc.gov>. The agenda for the Commission's April 2011 meeting includes the items identified below.


**PORTIONS OPEN TO THE PUBLIC:** 1. Report on completion of advisory opinion on five-day delivery. 2. Report on completion of annual compliance determination. 3. Report on status of pending dockets before the Commission. 4. Report on international activities. 5. Report on legislative activities. 6. Report on improved public


access to Commission archival records.7. Report on Commission docket management procedures in the event of a government shutdown.


**PORTIONS CLOSED TO THE PUBLIC:** 8. Discussion of pending litigation. 9. Discussion of contractual matters involving sensitive business information — lease-related negotiations. 10. Discussion of information technology security implementation. 11. Discussion of confidential personnel matters — performance, records and practices.


**CONTACT PERSON FOR MORE INFORMATION:** Stephen L. Sharfman, General Counsel, Postal Regulatory Commission, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001, at 202-789-6820 (for agenda-related inquiries) and Shoshana M. Grove, Secretary of the Commission, at 202-789- 6800 or [shoshana.grove@prc.gov](mailto:shoshana.grove@prc.gov) (for inquiries related to meeting location, access for handicapped or disabled persons, the audiocast, or similar matters).


 **Dead Tree Edition:** Here's one way labor unions are hindering staff reductions at the U.S. Postal Service -- telling their members the truth about the challenges of retiring from USPS.


 **Analytiqa:** DHL has launched 'Logistics Without Borders', an end-to-end supply chain solution that connects suppliers, carriers and end-users on both sides of the US-Mexico border. The solution leverages the expertise of DHL's Global Forwarding and Supply Chain divisions in providing companies shipping across the US-Mexico border one-stop access to the tools, expertise and services necessary to simplify the process and ensure shipments reach their destinations securely and on time.


 **Daily Republic:** A U.S. Postal Service spokesman says the agency won't make any changes that will adversely impact mail delivery in the Pierre area. The Postal Service is conducting a feasibility study to determine whether to move the Pierre post office's mail processing center to a distribution center in Huron. The Pierre center serves 37 central South Dakota communities.

 **Helena Independent Record:** Montanans wouldn't be blamed if a couple of stories in the news this week make it feel like the U.S. Postal Service is abandoning the Treasure State, and may shun the capital city as well. As part of a measure designed to save some \$750 million, the Postal Service announced this week the closure of its district office in Billings, one of six such closures announced across the country. Also this week, as Allison Maier reports in today's IR, the post office has announced it's going to again consider closing Helena's mail sorting operation and consolidating that function to Great Falls.


 **Associated Press of Pakistan:** Pakistan Post has earned Rs. 526.29 million in foreign exchange during last three years period. This was stated by Minister for Postal Services Sardar Muhammad Umar Gorgaj while highlighting the three years performance of his ministry. He said that similarly Pakistan Post has earned Rs. 224.266 million during period of 2007-08, while in 2008-09 Rs. 348.137 mln and Rs. 472.454 mln during 2009-10.


 **The International News:** Federal Minister for Postal Services Sardar Muhammad Umar Gorgaj has said that the Post Office will not be privatised; however, steps will be taken for the required turnaround and improvement in the department.

 **FinancialNews:** Royal Mail is undergoing one of the most important change programmes undertaken in the UK. New delivery methods designed to enable Royal Mail employees to deal with the changes in the postal market – a decline in letters and an increase in packets – are being introduced. Significant reductions in the number of mail centres are also underway and around half of the 64 centres in 2010 could eventually close by 2016 or sooner.


 **BBC:** Manx postal workers are meeting to discuss their next move in a long-running battle over pay. The Communication Workers Union (CWU), which represents 250 workers, is seeking a pay rise for members despite a pay freeze across the public sector.




 [PR-USA.net](#): PlanSmartChoice, an online suite of health plan selection tools, recently named their top ten health plans in the FEHB program. The APWU Health Plan was among the carriers recognized as a PlanSmartChoice Plus Award recipient. PlanSmartChoice was developed to give postal and federal employees a tool to help them choose the best health carrier for their needs.

 [Courier, Express, and Postal Observer](#): The mailing industry is an industry that depends on strong consumer demand. Whether we are talking about transactions paid through the mail, advertising, or parcel delivery, mail volume will rise or fall depending on consumer demand. The industry will likely prosper if consumer demand grows and will face even more challenges than it does now if consumer demand falls. That is why the current debate regarding fiscal policy and the macroeconomic effects of that debate is so important to the industry.

*March 26, 2011*

 [News and Sentinel](#): A slew of rural West Virginia post offices face the threat of closure after the U.S. Postal Service released a discontinuance study Friday. According to a list provided by U.S. Rep. Nick Rahall, D-W.Va., there are 31 smaller offices being considered for closure. Those 31 include the Rockport and Auburn (Ritchie County) post offices. According to a press release from Rahall's office, the postal service's discontinuance studies are done prior to proposing to close a post office. Once proposed, the USPS must notify the affected public and hold a 60-day comment period. Should the USPS decide to close a post office, the public has 30 days to appeal the decision to the U.S. Postal Regulatory Commission.


 [Times of Malta](#): "Maltapost rebrands and offers new service"


 [North County Times](#): "Envelope factory weathers Internet storm."

*March 25, 2011*


 *At the Postal Regulatory Commission:*

- **USPS Preliminary Financial Information** (unaudited), February, 2011  
<http://www.prc.gov/docs/72/72358/Letter-USPS-PrelimFinanInfo-Feb2011.pdf>  
[http://www.prc.gov/docs/72/72358/FEB-11\\_PRC\\_-\\_Final.pdf](http://www.prc.gov/docs/72/72358/FEB-11_PRC_-_Final.pdf)

 **DMM Advisory: IMb™ Services Update.** The Facility Access and Shipment Tracking (FAST®) and *PostalOne!*® Full Service Data Distribution systems will be upgrading to the latest IDEAlliance® Mail.XML® version 10.0 in June 2011. Currently, the FAST system supports Mail.XML 6.0D and Mail.XML 8.0B. The FAST system will stop supporting Mail.XML 6.0D on October 28, 2011. For Full Service Data Distribution, the USPS® currently supports Mail.XML 7.0C, 8.0B and Mail.XML 8.1. The *PostalOne!* system will stop supporting Mail.XML 7.0C and Mail.XML 8.0B versions on October 28, 2011, for the Full Service Data Distribution functionality. The Mail.XML technical guides are currently being updated and will be posted on [RIBBS®](#) in mid-April.


 [Gothamist](#): United States Postal Service, you do not make it easy to love you. "We" sent a check out earlier this week by placing it in this mailbox on the corner of Water and Jay Streets in Brooklyn, as we have done in the past, but the NYC-based recipient has not yet received said check yet. Last night we checked the box on our way to the subway, recalling that it had seemed a bit full when we originally placed the check in, and lo and behold, it had envelopes bursting out of it. By this morning you couldn't even open the flap. A call to the Cadman Plaza Post Office (1.5 stars on Yelp!), which is responsible for the daily pick up at this box, garnered... no answer. A call to the USPS customer service got us a case opened, which we should be hearing about by... the middle of next week. And finally, we have reached out to two press contacts here in New York City, and one has contacted us and is looking into this mystery.





 **BayouBuzz:** If the postal service is not privatized, there will be a series of never ending rate increases, layoffs and reductions in services. Customers should expect to see not only Saturday delivery curtailed, but other days of the week. There will also be more post offices closed. Government can never deliver any services as efficiently as the private sector and the postal service is a perfect example. Over the years, the postal service became overwhelmed by highly paid bureaucrats and dominated by costly unions. This type of model has never worked well, but in today's environment, it is nothing less than a disaster. The Congress should put this entity out of its misery and privatize the entire operation. Taxpayers should not be forced to bailout another inefficient government enterprise that is not able to compete in the 21st century.

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

The Postal Service will conduct the first of a number of webinars planned to provide information and explain the benefits of "Every Door Direct Mail" - a new program designed to make Direct Mail easier and less costly for local businesses. The webinar will highlight this exciting new service to help kick off the "Grow Your Business" campaign planned nationwide during April through June, and you will also learn about on-line information and new tools being made available to local businesses - and about the many local events planned all over the country during this period. The U.S. Postal Service recently launched Every Door Direct Mail (EDDM) and Every Door Direct Mail Retail (EDDM Retail), both of which are designed to attract more businesses to hard-copy communications as a marketing medium. EDDM and EDDM Retail give your customers a new way to promote their business, and have the potential to significantly boost demand for printing and mail services. This webinar will explain EDDM and EDDM Retail and the on-line information and tools available, and also let you know the benefits of these exciting new offerings and all the business-boosting opportunities they provide to you and your customers. The webinar will also discuss Grow Your Business Days, events held by Postmasters for small businesses, to which local printers and mail service providers will be invited. Webinar Title: Every Door Direct Mail When: Tuesday, March 29, 2011 at 2:00 pm Eastern Time (for 90 minutes) Link: <https://usps.webex.com/usps/onstage/g.php?d=999229692&t=a>

 **Insurance Journal:** Six postal contractors in Ohio have been sanctioned for workers' compensation fraud, state regulators say. The Ohio Bureau of Workers' Compensation (BWC) said a task force created by its Special Investigations Department (SID) in collaboration with the US Postal Service Office of Inspector General (USPS OIG) uncovered workers' compensation fraud at the businesses.

 **The Office of Senator Thomas Carper:** "While I have serious concerns about the length of time it took the Postal Regulatory Commission to produce this advisory opinion, I welcome the commissioners' views on this proposal from the Postal Service and look forward to studying their findings more closely. "While I'm not an advocate for eliminating Saturday delivery, and I continue to question whether taking such a step would be a good move at this time, I do believe that decisions on operational matters such as delivery frequency should be handled by postal management. At a time when the Postal Service is struggling with record budget deficits and facing insolvency, it makes no sense, in my opinion, to tie their hands when it comes to making difficult operational decisions. A significant amount of money could be saved if Saturday delivery is eliminated. I hope it isn't necessary, but taking this step at the right time, and in the right way, might very well be a necessary component of a comprehensive postal recovery plan. It would be irresponsible for Congress, as it does now, to stand in the way and act like a 535-member Board of Directors. No real business could ever function under that type of governance and it's unrealistic to think that the Postal Service would be well served by that type of micromanagement.

 **The Office of Senator Susan Collins:** "The Postal Regulatory Commission released an Advisory Opinion on the U.S. Postal Service five-day delivery plan. The Postal Service must obtain a Commission Advisory Opinion on any change in nationwide service it proposes. The Opinion found annual net savings to be an estimate is \$1.7 billion versus the Postal Service's savings estimate of \$3.1 billion among other discrepancies Senator Susan Collins, the Ranking Member of Senate Committee that oversees the Postal Service, issued the following statement. "The PRC found that the Postal Service's estimate of savings was inflated and points out that ending Saturday delivery would delay approximately a quarter of first class and priority mail. While cutting service would save the Postal Service money, it would also drive down the mail volume that is critical to maintaining its solvency. "Moreover, the PRC exposes the Postal Service's failure to even consider the likely harm to rural postal customers. Echoing my warnings, PRC Chairman Ruth Goldway acknowledged in her addendum to the Opinion that five-day delivery would 'unfairly discriminate' against rural postal customers. The Advisory Opinion raises many of the same

questions that I have posed over and over. These consequences simply must be addressed before consideration of such a significant service reduction."



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

- The Postal Regulatory Commission (PRC) issued its Advisory Opinion on the Postal Service's plan to end Saturday mail delivery, collection, and outbound mail processing. The Commission concluded that the Postal Service overestimated its annual net savings by \$1.4 billion, so instead of the move from six-day to five-day being worth \$3.1 billion, it is worth \$1.7 billion. Four of the five Commissioners wrote concurring opinions, making it appear as if the PRC is split 2-2-1 being for, against, and noncommittal respectively.
- According to the PMG, "the Commission's opinion is advisory only and therefore, is not a final determination on the merits of our proposal. We remain convinced of our findings. As such, we will also continue to press our case with the Congress on this matter."
- PMG Patrick R. Donahoe today announced a newly redesigned Postal Service, one that is better positioned for growth, reflects further alignment within the organization to achieve core business strategies and, when fully implemented, will help realize approximately \$750 million of annual cost savings.
- Rep. Darrell Issa (CA-R), Chairman of the House Oversight and Government Reform Committee, today announced a full committee hearing on United States Postal Service (USPS) pay and benefits on April 5th. The Committee expects to hear from the Postal Service on their tentative agreement offered to their largest union, the American Postal Worker Union (APWU), last week. The agreement has yet to be signed.
- The USPS Office of Inspector General (OIG) on March 14, 2011, issued the results of its audit of the USPS' Network Distribution Center (NDC) activation impacts – the second in a series of self-initiated NDC audits to "address strategic, operational, and financial risks." The OIG concluded that while the NDC activations generally "went well," not all the projected benefits have been realized. "The NDC initiative generated approximately \$111 million," it reported, "or about 39 percent of projected annual savings and a 10-percent improvement in package service performance." "To enhance saving opportunities," it said, "management could further improve transportation use in the NDCs."
- PostCom recently asked its members to give us a snapshot of what service delivery performance was looking like these days. The following are some of the reports and comments they were willing to share. The identities of those sharing has been withheld at their request.
- Congress is Postal Service's biggest roadblock to success. Comparable wages. Postal sensor fleet idea gets tentative nod from the USPS. USPS' National Grow Your Business Campaign. Serrano warns USPS that Bronx consolidations are unfair, unwise. Pryor gives USPS a failing grade. Is APWU eating its young? BofA, Verizon CEOs should push for postal reform, regulator says. FedEx faces DoJ probe alongside UPS over consultants. Lawmakers urge PMG to consider impact of change. Magazines' new rules for counting digital sales. New CPI figure. NALC applauds regulators' decision on Saturday mail delivery.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.


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





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[Courier, Express, and Postal Observer](#): On March 24th, L. L. Bean announced that it will offer free shipping on all shipments no matter how small. L. L. Bean can afford to do this because many of its light weight shipments and delivered through the Postal Service either through a direct contract with the Postal Service or through a consolidator like FedEx's SmartPost or UPS SurePost. L.L. Bean is not alone in offering free shipping. Firms like

Newegg.com use free shipping on specific items to shift customer demand toward certain items and away from others. Landsend offers free shipping offers to e-mail subscribers on a regular basis Other firms require minimum purchases ranging from \$25 for Amazon.com to \$99 for Macy's. The Postal Service is critical for these firms when they need to ship small or light-weight items as a means to control the total delivered price to consumers.


 More on the PRC's Five-Day Decision:

- [Bloomberg](#)
- [NPR on Five-Day](#) 
- [Transcript of the NPR story](#)
- [Washington Times](#)
- [The News Tribune](#)
- [Associated Press](#)
- [Philadelphia Daily News](#)
- [Sacramento Bee](#)
- and there's more . . . .

 [National Association of Letter Carriers](#): The National Association of Letter Carriers is gratified by the Postal Regulatory Commission's decision not to recommend a shift to five-day-a-week mail delivery. Such a drastic move would inconvenience millions of Americans, including many who count on being able to get prescription medicines on Saturday; it would damage small businesses for which Saturday is an important workday; and it would have an inordinate impact on rural areas.

 More on planned facility closures and the USPS reorganization plan:

- [Washington Post](#)
- [Wall Street Journal](#)
- [Business Courier](#)
- [DM News](#)
- [Bluefield Daily Telegraph](#)
- [Oshkosh Western](#)
- [Providence Journal](#)
- [Atlanta Business Chronicle](#)
- [ABCMontana](#)
- [KY3](#)
- and there's more . . . .

 [Rep. Darrell Issa](#) (CA-R), Chairman of the House Oversight and Government Reform Committee, today announced a full committee hearing on United States Postal Service (USPS) pay and benefits on April 5th. The Committee expects to hear from the Postal Service on their tentative agreement offered to their largest union, the American Postal Worker Union (APWU), last week. The agreement has yet to be signed. Issa expressed serious doubt that the APWU contract agreement would improve the fiscal situation that threatens USPS' future. Rep. Dennis Ross (FL-R), chairman of the Postal Service Subcommittee, expressed serious concerns about postal service pay.

 *At the Postal Regulatory Commission:*


- **C2009-1:** A letter to the PRC from the [chairman and CEO of GameFly](#): "I am writing to you to request that the Commission do what it can to expedite its decision in the GameFly complaint proceeding. GameFly filed this complaint nearly two years ago. Before that, GameFly spent 18 months working with the Postal Service in an attempt to resolve informally the issues on which the complaint was based. I understand that the Commission has competing demands on its resources. Delay in resolving the case, however, is costly to


GameFly. At the company's current volume of approximately 1.2 million shipments per month, the difference between the two-ounce flats rate of \$1.05 that GameFly must pay to avoid automated letter processing for most of its DVD mailers, and the one-ounce letter rate of \$0.44 that Netflix pays to avoid automated letter processing of return mailers, amounts to about \$730,000. This amount represents more than 100% of GameFly's monthly net income in 2011."


- **National Trial Balance, February, 2011 (FY 2011); and Statement of Revenue and Expenses, February, 2011 (FY 2011)**

[http://www.prc.gov/docs/72/72343/Statement of Revenue and Expenses - Redacted, February, 2011 \(FY 2011\).xls](http://www.prc.gov/docs/72/72343/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted%20,%20February%20,%202011%20(FY%202011).xls)


[http://www.prc.gov/docs/72/72343/National Trial Balance - Redacted, February, 2011 \(FY 2011\).xls](http://www.prc.gov/docs/72/72343/National%20Trial%20Balance%20-%20Redacted%20,%20February%20,%202011%20(FY%202011).xls)


 **Post & Parcel:** Quality of European letter service has exceeded targets set by the European Union (EU), according to the International Post Corporation (IPC).


 **IsleOfMan:** The chairman of the Isle of Man Post Office said he is open to further talks with the Communication Workers Union over the current pay disagreement.


 **Associated Press of Pakistan:** All specialized training courses on Postal Services are designed and developed using the Universal Postal Union (UPU) train post networking approach. This was stated by an official of Pakistan Post Training Centre (PPTC) here on Friday. He informed that the centre imparts training on Informatics, Postal Operations & Management, Agency Functions, Saving's Bank, Marketing, Customer Care and other Postal Courses for operational and supervisory Staff. "Courses aim at meeting the training needs of Pakistan Post Office and UPU member countries through the Train Post Project of the UPU," he said.


**March 24, 2011**

 **Wall Street Journal:** FedEx Corp. Chief Financial Officer Alan Graf called a potential acquisition of TNT NV's express business "too expensive" Thursday and reiterated that FedEx doesn't need to do a deal in Europe.

 **DMM Advisory: Folded Self-Mailer Study Nearing Completion.** Collaborating with the mailing industry, we implemented a Lean Six Sigma test study in April 2009 with the goal of finding a balance between design innovation and machinability of folded self-mailers (FSM). Valuable feedback has resulted in the USPS™ and test study participants taking another look at the potential updated mailing standards for the *Domestic Mail Manual* (DMM®) that were presented to mailers for review. A revised framework — with industry input incorporated — will be presented to test study participants in the near future. We expect to share proposed rule changes via a *Federal Register* notice in early summer, with an expected effective date sometime in 2012. For now, it's business as usual for mailers until updated FSM standards are effective. We'll use DMM Advisory to let you know when these changes will be implemented.


 **Paid Content:** Printing company R. R. Donnelley & Sons Co. announced its purchase of Journalism Online, the company founded and managed by media magnate Steven Brill and partners to help publishers make money online, along with the company's Press+, a paid content management system.

 **Postmaster General Patrick R. Donahoe** today announced a newly redesigned Postal Service, one that is better positioned for growth, reflects further alignment within the organization to achieve core business strategies and, when fully implemented, will help realize approximately \$750 million of annual cost savings. About 7,500 positions will be eliminated across the organization through the redesign that also includes the closing of seven district offices and offers limited financial incentives to those who meet specific qualifications. Today's announcement focused on the administrative and executive corps. Additional staff reductions will occur as the Postal Service makes necessary changes to its network and retail operations. The full scope and financial impact of these personnel actions should be realized in one calendar year – March 2012. See also the [Frequently Asked Questions](#) posted by the Postal Service. See also the [Washington Post](#).

 **Press Release:** Pitney Bowes Inc. has launched pbSmartPostage™, the industry's first mailing and shipping service that uses cloud technology to enable businesses to apply postage to letters and shipping labels and packages directly from any PC with an Internet connection. Businesses with smaller volume shipping needs and remote locations will benefit from this flexible mailing and shipping solution. The introduction of pbSmartPostage™ is the first in a series of solutions in the pbSmart family of on demand products the company is developing to enable businesses to more effectively communicate with their customers in an increasing mobile world.


 *At the Postal Regulatory Commission:*

- The [Postal Regulatory Commission](#) has issued its advisory opinion on the Postal Service requests to end Saturday delivery, Saturday outgoing mail processing, and other related service changes. “Some of the Commission’s analysis in today’s Advisory Opinion suggests that even lower estimates of savings and higher volume losses are possible. In all cases, we chose the cautious, conservative path. Our estimates, therefore, should be seen as the most likely, middle ground analysis of what could happen under a five-day scenario,” said Chairman Ruth Y. Goldway. Separate Views of Chairman Goldway, Commissioners Blair, Langley, and Hammond are attached at the back of the Commission’s Advisory Opinion. See also the [Associated Press](#).
- **N2010-1** Notice of Filing of Library References PRC-N2010-1-LR1 Through PRC-N2010-1-LR6  
<http://www.prc.gov/docs/72/72326/N2010LibraryRefs1-6.docx>  
<http://www.prc.gov/docs/72/72326/N2010LibraryRefs1-6.pdf>
- **N2010-1 PRC-N2010-1-LR2** - PRC Analysis of DOIS Street Time Productivity  
<http://www.prc.gov/docs/72/72331/PRC-LR-2.xlsx>  
[http://www.prc.gov/docs/72/72331/LR2\\_Preface.docx](http://www.prc.gov/docs/72/72331/LR2_Preface.docx)
- **N2010-1 PRC-N2010-1-LR6** - PRC Volume and Revenue Changes  
[http://www.prc.gov/docs/72/72335/PRC-N2011-1-LR6\\_Volume\\_and\\_Revenue\\_Changes.zip](http://www.prc.gov/docs/72/72335/PRC-N2011-1-LR6_Volume_and_Revenue_Changes.zip)
- **N2010-1 PRC-N2010-1-LR4** - PRC Calculation of Empty Capacity for Highway Transportation  
<http://www.prc.gov/docs/72/72333/PRC%20Empty%20Capacity.xlsx>  
[http://www.prc.gov/docs/72/72333/Empty\\_Capacity\\_N2010-1-LR4.docx](http://www.prc.gov/docs/72/72333/Empty_Capacity_N2010-1-LR4.docx)
- **N2010-1 PRC-N2010-1-LR5** - PRC Analysis of Highway Transportation Cost Savings  
<http://www.prc.gov/docs/72/72334/Summary%20PRC%20N2010-1-LR5.docx>  
<http://www.prc.gov/docs/72/72334/PRC%20Transportation%20Appendix.docx>  
<http://www.prc.gov/docs/72/72334/PRC%20Transportation%20Estimates.xlsx>  
[http://www.prc.gov/docs/72/72334/PRC\\_Trip\\_Variabilities.xlsx](http://www.prc.gov/docs/72/72334/PRC_Trip_Variabilities.xlsx)
- **N2010-1 PRC-N2010-1-LR6** - PRC Mail Processing Savings  
<http://www.prc.gov/docs/72/72332/Mail%20Processing%20Savings%20with%20ACR%20Variabilities.xls>  
<http://www.prc.gov/docs/72/72332/Colvin%20Table%204%20with%20ACR%20variabilities.xls>  
<http://www.prc.gov/docs/72/72332/LR3.doc>
- **N2010-1 PRC-N2010-1-LR1** - PRC Analysis of City Carrier Delivery Savings  
[http://www.prc.gov/docs/72/72330/PRC\\_City\\_Carrier\\_Savings.xlsx](http://www.prc.gov/docs/72/72330/PRC_City_Carrier_Savings.xlsx)  
[http://www.prc.gov/docs/72/72330/Summary\\_PRC\\_N2010-1-LR1.docx](http://www.prc.gov/docs/72/72330/Summary_PRC_N2010-1-LR1.docx)


 **Postmaster General Patrick Donahoe:** We have received the Commission’s advisory opinion on our proposal to move to a five-day delivery schedule. We have been awaiting the document and look forward to studying the views expressed by the Commissioners. Five-day delivery is an integral part of our action plan for the future. It’s important to remember that the Postal Service came well prepared to this undertaking. Based on extensive outreach to our customers and other stakeholders, we developed an operational plan, analyzed the potential cost savings and conducted extensive market research to document customer reaction and estimate mail volume changes that could result from implementation of this plan. Following tremendous losses in mail volumes and revenues, the Postal Service remains in the midst of a period of great financial instability. On March 30, 2010, we presented a compelling case to the PRC, reflected in the testimony of Postal experts in operations, marketing and finance, as well as a highly respected market research firm and academician. Their testimony demonstrated that the plan would effect a \$3.1 billion annual saving and allow the Postal Service to continue providing excellent service in an




economical and efficient manner. The Commission's opinion is advisory only and therefore, is not a final determination on the merits of our proposal. We remain convinced of our findings. As such, we will also continue to press our case with the Congress on this matter.

 **Dead Tree Edition:** A divided Postal Regulatory Commission just issued (early afternoon Eastern time) its advisory opinion on whether the U.S. Postal Service should be allowed to discontinue Saturday delivery. After a complex analysis, each commissioner wrote a separate opinion suggesting that the commissioners agreed that USPS's projections regarding cost savings are too rosy. But they could not agree on whether it should be allowed to switch to five-day delivery.

**CENTER FOR RESEARCH IN REGULATED INDUSTRIES** The Center for Research in Regulated Industries' final Advanced Workshop on Regulation and Competition for 2011 will be held on April 1, 2011. We will be accepting registrations for the workshop until Tuesday, March 29th. Please click on the link below to view the program and to obtain additional information regarding the workshop. If you are interested in attending please complete the registration form and forward it to us via email: [crri@business.rutgers.edu](mailto:crri@business.rutgers.edu) or by fax 973-353-1348. **Advanced Workshop on Regulation & Competition** "Viable Modern Postal System?" April 1, 2011 K&L Gates LLP Washington, DC  
<http://crri.rutgers.edu/Viable%20Modern%20Postal%20System%20Agenda.doc>


 **Courier, Express, and Postal Observer:** The Postal Service has published a detailed schedule of dates that are important for employees whose jobs will be affected by the management restructuring. Anyone who could be affected should print out, or bookmark this schedule and add the key dates to their smartphone calendar so they are sure act by the required deadlines if they plan to take advantage of early retirement or will need to find a new job within the Postal Service. For those outside of the Postal Service, only those dates on which current Postal employees will leave employment matter. These are the dates that the Postal Service begins experiencing cost savings from either early retirements or RIF's.

 **Courier, Express, and Postal Observer:** Pitney Bowes announced yesterday that Chuck Cordray to the new position of president of the Volly™ secure digital delivery service. The Volly™ secure digital delivery service, unveiled in January, is a new cloud-based digital mail communications platform that will empower consumers to receive, view, organize, and manage bills, statements, direct marketing, catalogs, coupons and other content from multiple providers using a single application. This opt-in, consumer-focused consolidation service also includes online bill pay.



The following report was 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.

**Postal Vehicles Services – Scheduling and Staffing - Connecticut Valley District (NL-AR-11-002)**. We found the Connecticut Valley District could save more than \$2 million in yearly labor and related costs if it managed Postal Vehicle Service processes and schedules more efficiently and effectively. Specifically, managers could use alternate schedules to include split days off and expand the use of part-time drivers when possible.


 **Washington Post:** The U.S. Postal Service on Thursday is expected to detail how it **plans to cut about 7,500 administrative positions** — the first time it's issued pink slips in at least a decade. The job cuts are **expected to impact about 2,000 postmasters** — the folks who manage individual post offices — and **another 5,500 supervisors and administrative staffers**. Cutting postmasters is especially noteworthy, because it **will likely prompt USPS to close the post offices they operate**. Though 7,500 seems like an impressive figure, remember the Postal Service still has about 283,000 full-time workers; another 234,000 employees left in the last decade on their own volition or through early-retirement incentive programs. On average, about 22,500 postal workers leave the mail agency each year by retiring or finding another job, according to USPS. Postmaster General Patrick R.





Donahoe has said his **goal** is to have **30,000 fewer employees** working for the Postal Service **by the end of its fiscal year** in September by using the 7,500 layoffs and the estimated 22,500 departures. See also [USPS NewsLink](#).


 [From the Federal Register: Postal Service](#)


- **RULES**. Combined Mailings of Standard Mail and Periodicals Flats; Withdrawal , 16534 [2011–6911] [\[TEXT\]](#) [\[PDF\]](#)
- **PROPOSED RULES**. Combined Mailings of Standard Mail and Periodicals Flats , 16588–16592 [2011–6912] [\[TEXT\]](#) [\[PDF\]](#)


 [News-Press](#): "Look-alike postal service website not the real deal."


 [Dead Tree Edition](#): "Here's What Darrell Issa Actually Said -- But Don't Ask What He Meant."

 [The Flint Journal](#): U.S. Rep. Dale Kildee and Mayor Dayne Walling say moving Flint postal processing would not save money, would affect service.

 [KMEG](#): Iowa Senator Chuck Grassley says local businesses and Siouxland workers can't take another hit, that's why he is joining the effort to prevent consolidation with Sioux Falls. While visiting the Sergeant Bluff High School Wednesday, the US Postal Service's Mail Processing study was a hot topic. The Senator fears the move could be disastrous for Siouxland's economy.


 [National Journal](#): The United States Postal Service seems to be playing with the deck stacked against it. Not only is the cash-strapped Post Office fighting to survive in the digital age, but now it has to answer to the House Committee on Oversight and Government Reform.


 **Postal Service**: Confirm was migrated to a new, more stable and better performing hardware platform over the weekend. After that was complete, there were post implementation issues that caused some delayed data to mailers. These issues were fixed on Monday and the system was fully functioning that evening.


 [Courier, Express, and Postal Observer](#): Government Executive and Federal Times both reported today that the House Oversight and Government Reform Committee will be holding a hearing on April 5 on Postal Service pay. It is clear from quotes attributed to Congressmen Darrell Issa and Dennis Ross that the Postal Service's witness is going to have a very unpleasant time. The House committee has two options in looking at the compensation question. The easy way is to bash Postal Service management and grab headlines by focusing only on the wage premium issue. A more constructive alternative would look at what would be required to bring compensation closer in line to market values


*March 23, 2011*

 On the Postal Service's [2011 Organizational Redesign](#)

 [Yahoo! News](#): USA Today, a newspaper created nearly 30 years ago to appeal to people who grew up watching television, is revising its formula to try to counter the Internet's threat to its survival. The nation's second-largest newspaper is expanding its coverage of advertising-friendly topics, designing content for smartphones and tablet computers and refreshing the look of its print edition, whose circulation has fallen by 20 percent over the past three years. For readers, it means lots of travel tips, gadget reviews, sports features, financial advice and lifestyle recommendations. Top editors say investigative journalism will also be emphasized.


 [EVWorld](#): Ford and Azure Dynamics Corporation (TSX:AZD) have confirmed their first European customer for the innovative zero-emission Transit Connect Electric van. Norwegian Post today signed a contract for 20 Transit Connect Electric vehicles, with an option to further increase the order at a future date.

 **Federal Times:** The news keeps coming on that newly unveiled American Postal Workers Union contract and the latest installment will not be welcome to U.S. Postal Service employees. **The House Oversight and Government Reform Committee has just scheduled an April 5 hearing on postal workforce costs** and it looks like the tentative APWU deal will be a big part of the discussion. With workforce costs comprising about 80 percent of USPS operating expenses, “the union contract renewals are the best chance to find new savings,” committee Chairman Darrell Issa, R-Calif., said in a news release. “Unfortunately, this looks like **a missed opportunity.**” “**The Postal Service cannot afford to continue to pay,** as their own numbers have estimated, **a 34.2 percent wage premium over comparable private sector labor,**” added Rep. Dennis Ross, R-Fla., who chairs a Postal Service subcommittee. Ross said he was referring to 2003 figures presented by economist Michael Wachter to a presidential commission. See also the [Washington Post](#) and [Government Executive](#).


 **Post & Parcel:** Brazil’s Postal and Telegraph Company, Correios, has launched a major recruitment campaign, offering 8,346 full-time vacancies.

 *At the Postal Regulatory Commission:*

- Postal Service Active Employee Statistical Summary (HAT report), Pay Period 06, FY 2011  
<http://www.prc.gov/docs/72/72322/HATReport.pdf>  
[http://www.prc.gov/docs/72/72322/Letter-HAT\\_PP6\\_FY2011\\_001.pdf](http://www.prc.gov/docs/72/72322/Letter-HAT_PP6_FY2011_001.pdf)

 **Memphis Commercial Appeal:** FedEx’s 4,500 pilots will receive 3 percent pay raises, lump sum payments, new safety programs and expanded foreign duty assignment rules under a newly approved labor agreement. The agreement, hammered out by FedEx management and the Air Line Pilots Association in less than six months, was approved by pilots in balloting that ended early today.

**Mailers’ Technical Advisory Committee (MTAC)** The USPS experienced a network outage this morning that was resolved at 9:55 am Central Time. This outage impacted business mailers accessing mailing and shipping services via the Business Customer Gateway (BCG). These services included PostalOne!, FAST, CLDS, ABRM and CONFIRM. External users are now able to access the Business Customer Gateway.


 **Press Release:** There is less than a week left until Marketforce and the IEA’s European Postal Services conference. [View the programme here](#)


 *DMM Advisory:*


**IMb™ Services Update — Server Upgrade Reminder.** *PostalOne!*® Full-Service and Mail Quality reports will be unavailable to mailers from 5 p.m. CDT Thursday, March 24, 2011, through 6 a.m. CDT Monday, March 28, 2011, while the USPS™ MicroStrategy reporting servers are upgraded from MicroStrategy Version 8.x to MicroStrategy Version 9.x.


**Saturation and High Density Standard Mail Incentive Program Validation Process Update.** When the Saturation and High Density Standard Mail Incentive Program application deadline was extended, the original date by which applicants must accept or dispute threshold volumes and permits (March 15, 2011) became invalid. As a result, the process is still ongoing. Over the next 2 to 3 weeks, program applicants will receive a threshold and permit validation communication. Applicants who disagree with any portion of their USPS-calculated threshold must complete the threshold inquiry form and submit supporting evidence no later than the date that will be provided on the threshold and permit validation communication. For questions about this process, contact the Saturation and High Density Standard Mail Incentive Program Office at [SaturationHDIncentive@usps.gov](mailto:SaturationHDIncentive@usps.gov).


**USPS® Network Outage Resolved.** The Postal Service™ experienced a network outage this morning that was resolved at 9:55 a.m. CDT. This outage affected business mailers accessing mailing and shipping services via the Business Customer Gateway (BCG). These services include *PostalOne!*®, FAST®, CLDS, ABRM and Confirm®. External users are now able to access the Business Customer Gateway.


 [Federal Times](#): Members of the American Postal Workers Union will get about a month to decide the fate of a new contract, with the union dangling prizes to encourage locals to get out the vote, according to a news release. Ballots will be mailed out starting April 8 and are due back by May 10, with the actual count taking place the following day, May 11, the union release says.


 [Courier, Express, and Postal Observer](#): Currently there is a major push by Congressman Darrell Issa to examine how government regulation affects economic activity. There is no question that government regulation affects the cost of running a business. However, those who believe that elimination of regulation is a good idea need look no further than the unregulated Japanese nuclear power industry, and poor regulation of oil drilling in the gulf, and the financial meltdown that caused the great recession. In all three cases, the relaxation of regulation reflected the problem of dealing with rare but expensive risks.


 [Central Florida News](#): A last-ditch effort to keep the Daytona Beach Processing and Distribution Facility on Bill France Boulevard open was tossed aside by the Postal Regulatory Commission Tuesday. Commissioners issued an order dismissing the appeal because they said they have no jurisdiction over the closing or consolidation of processing and distribution facilities.


 [Hellmail](#): The revelation that staff ColleagueShares at Royal Mail are likely to be practically worthless, are I suspect, the tip of a mammoth iceberg. Royal Mail itself admits that its modernisation plans are 18 months behind but the pace of change needed is actually several years, if not a decade behind.


 [Business Wire](#): Pitney Bowes Inc. today launched pbSmartPostage™, the industry's first mailing and shipping service that uses cloud technology to enable businesses to apply postage to letters and shipping labels and packages directly from any PC with an Internet connection. Businesses with smaller volume shipping needs and remote locations will benefit from this flexible mailing and shipping solution. The introduction of pbSmartPostage™ is the first in a series of solutions in the pbSmart family of on demand products the company is developing to enable businesses to more effectively communicate with their customers in an increasing mobile world.

 [AdAge Mediaworks](#): Magazines can now count iPad and other digital-edition sales toward their paid-circulation guarantees even if those digital versions don't include the ads they carried in print, according to a new rule adopted by the Audit Bureau of Circulations, the dominant arbiter of circulation for consumer magazines and newspapers. That will let publishers take credit for their success on new platforms but means more work for media buyers, whose ads will increasingly appear in only a portion of each magazine's paid circulation count.


 [Deutsche Welle](#): For some German companies like Deutsche Telekom, the United States is a financial abyss capable of swallowing billions of euros. But other firms venturing into the world's largest economy have quietly made a fortune. Deutsche Post-DHL CEO Appel, by comparison, is still hanging on to DHL. Germany's former postal monopoly completed its purchase of the US parcel company in 2002. But the executive's hands have been full ever since as he tries to turn around a business that has racked up more than 7.5 billion euros (\$10.6 billion) in losses. DHL continues to face tough competition from the world's largest parcel company UPS and FedEx. Some analysts believe it's a fight the German-owned company can't win. The forays of these three German companies into the US have one thing in common: they were based on acquisitions. And these, arguably, can be tricky. Who knows, maybe DHL, with the right strategy, can give UPS and FedEx a run for their money. Frank Appel is giving it a shot anyway.


 **DI-VE:** The CEO of MaltaPost p.l.c. has been recently re-elected as a member of the PostEurop Management Board in Schaan, Liechtenstein. The members present elected the new management board to serve the term between 2011 and 2013.


 **Hellmail:** The Latvian government has backed a medium-term plan which outlines the objectives of Latvian Post and a plan for sustainability of the postal service in a more competitive market. The guidelines are expected to remain in place until 2017 and lay out key objectives to deliver a quality service and provide convenient access to postal services across Latvia.


 **Transport Intelligence:** The rationalisation of former postal monopolies continues, with Britain's Royal Mail being the latest to announce a down-sizing in the organisation's resources and a reduction in its workforce.


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

 Russian minister of finance, Alexei Kudrin, confirmed that the creation of a postal bank was still on the agenda.

 Leading representatives of postal businesses from 13 Mediterranean border states signed a position paper on co-operation under the leadership of Poste Italiane. Postal Euromed was established to implement a shared policy for the postal sector within the Mediterranean region, develop new technologies for a more efficient mail service, establish a common platform for e-commerce and encourage closer collaboration in offering financial and communication services, the official statement read. One of the stipulated projects is to cut the cost of transferring money by 5% in the next five years.


 German Reg-Email GmbH wants to 'revolutionise electronic registered mail' with a patent-pending method.


 Given the difficult trading conditions and a flat economy, job cuts loom at New Zealand Post.


 French La Poste struck an agreement on affordable living space with the country's postal unions - CFDT, CFTC, CGC-CGT, FO-SUD.


 With a delay of nearly one year Brazilian ECT Correios plans to start recruitment of additional staff no later than May.

 Parts of the Italian organization of TNT Express have been undermined by the Mafia.

 The decision on the sale of Korea Express, the country's largest CEP and logistics operator (turnover 2009: 1.22bn euros), is getting closer.

 2010 obviously was a good year for UPS's chief executive Scott Davis. His total compensation increased by 72% to 7.54m euros.

 Chronoexpres, Spanish Correos's express subsidiary, signed a co-operation agreement with Portuguese Trans-Go Express. In a statement the company writes that Trans-Go guarantees nationwide delivery within 24 hours.

 TNT has split its multicurrency revolving credit facility in connection with the planned demerger.





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 when your appetite for more of what CEP offers.)*




**From the Federal Register: Postal Regulatory Commission NOTICES**


- Mail Classification Change for Priority Mail Flat Mail , 16460 [2011-6784] [\[TEXT\]](#) [\[PDF\]](#)
- Parcel Select Price and Classification Changes , 16460-16461 [2011-6797] [\[TEXT\]](#) [\[PDF\]](#)

 [DutchNews.nl](#): TNT Post does not support the setting up of a special fund to finance improved working conditions for postal delivery staff, director Pieter Kunz told MPs on Tuesday.

 [Dead Tree Edition](#): Rep. Darrell Issa, the Republican Congressional leader who has been boldly advocating a downsizing of the U.S. Postal Service, suddenly doesn't sound so brave.


 [Verde Independent](#): New cutbacks will be announced by the Postal Service this week to help stem its tsunami of red ink. U.S. Postmaster General Patrick R. Donahoe is to make an internal announcement Thursday that will become public Friday.


*March 22, 2011*


 **DMM Advisory: April 17 Mailing Services Price Change Update — Plant-Verified Drop Shipment** . As a reminder, Mailing Services prices will change on April 17, 2011. Relative to that change, plant-verified drop shipment (PVDS) mailings will be verified and accepted as follows:

**Current Prices** — PVDS mailings verified and paid for before April 17, 2011, using the current prices, will be accepted at destination entry postal facilities through May 7, 2011, when presented with appropriate verification and payment documentation (PS Form 8125).


**New Prices** — PVDS mailings may be verified and paid for beginning March 21, 2011, using the new prices, provided the shipments are not deposited at destination entry postal facilities until April 17, 2011, or later, when presented with appropriate verification and payment documentation (PS Form 8125).


 [Stuttgart Daily Leader](#): U.S. postal officials are studying 15 post offices in Arkansas for possible closure as part of a money saving effort. The U.S. Postal Service is looking to save money as email and other electronic communications replace letters. Arkansas post offices on the list for possible closure include Gepp, Alicia, Bigelow, Board Camp, Driver, Ida, Monroe, Peach Orchard, Pineville, Wideman and Wilson. Also on the list are branch offices in East Camden, Goodwin, Springdale and Fayetteville. Postal officials are also considering converting the State University Post Office at Arkansas State into a branch of the Jonesboro Post Office Postal Service spokeswoman Leisa Tolliver-Gay told the Arkansas Democrat-Gazette that postal stations in west Little Rock and Fort Smith are already scheduled to close later this month.


 [Hellmail](#): The deputy general secretary of the Communication Workers Union today accused Royal Mail of destroying any remaining trust that postal workers had in the company after the announcement that the value of staff shares had plummeted.


 [This Is London](#): Postal workers will be up to £1,400 out of pocket because they will not receive an expected bonus, leaving many of them wanting to take action, their union has said. The Communication Workers Union (CWU) said staff were being briefed about the so-called ColleagueShare scheme, which was introduced by former chairman Allan Leighton to pay a bonus based on the value of the company. An internal memo issued by Royal Mail said the "difficult outlook" for the business meant it was likely that workers would only receive the remainder of the cash bonus element of the scheme. The CWU said the move would leave postal workers up to £1,400 out of pocket and claimed that Royal Mail paid out ColleagueShare to staff who have left the company in the last six weeks. The scheme has paid out up to £1,600 to postal workers so far and the union said it was due to pay out a further £1,400 this year, up to a limit of £5,300 over the five-year life of the scheme.


 [From the Federal Register: Postal Service RULES](#) Rules of Practice in Proceedings Relative to Mail Disputes, 15218–15219 [2011–6332] [\[TEXT\]](#) [\[PDF\]](#)


 [Marketing Daily](#): Spending more marketing dollars per vehicle than ever and facing an ever-more quickly metamorphosing media scenario, automakers need to be more cognizant than ever about what channels are working, and when to pull the plug on channels that aren't. In a new white paper, marketing firm Acxiom says that in order to keep abreast of launch campaigns, automakers must build flexible media optimization platforms into them. "We might recommend they redirect some of their direct mail and TV to search, email and display, which are on upward trajectories," it says.


 [AllAfrica.com](#): Postal services have been struggling to stay afloat in a cutthroat market dominated by new technologies. And so Postal Corporation has sought the help of experts from US-based technology giant, IBM, to position the business in this new era. IBM Corporate Service Corps Team says competition has taken full advantage of the new opportunities - from banks expanding services to organisations moving into the parcel business.


 [Springfield News](#): With Australia Post's largest delivery centre at Heathwood about to hit full stride, a whopping 1.5 million letters, parcels and packages will whiz through the site each day. Staff, stakeholders, and curious community members were given a sneak peek of the massive warehouse at an open day last month.


 [Mineweb](#): The humble post office is the latest organisation to get into the gold act in India. Standard 24 carat gold coins have been selling like hotcakes at over 466 post offices dotted throughout the country. Despite the current high price, Indian consumers have been buying small quantities of coins to give as gifts during the festival season. With the spring, harvesting and wedding season all in full swing in India, demand for the yellow metal has shown a substantial climb.

 [Hellmail](#): The International Post Corporation (IPC) announced recently that its Future of Mail by Air (FoMBA) initiative has enabled the transition from paper delivery bills to an electronic method for 16% of all the mail exchanged between postal operators and airlines on 127 routes worldwide in only one year. The achievement, announced at the 2011 IATA World Cargo Symposium, surpasses the 10% target set for 2010 by six percentage points.


 [MSNBC](#): Police are investigating a postal worker accused of stealing prescription medicine meant for patients. They say he headed off drugs from people who need them.


 [KITV](#): Five years ago, the USPS considered moving Sioux City's mail processing to Sioux Falls. In a letter to the Postmaster General, western Iowa congressman Steve King said, the last time, the postal service couldn't answer a number of the his questions. In the same letter, Republican Senator Chuck Grassley says the postal service has an obligation to conduct a review in a fair manner, and "consider the views of the community." That's why Democrat Tom Harkin says "the potential impact should be taken into account before any further steps are taken" by the postal service. The postal service says the study of Sioux City's mail processing could be done this spring, or summer.


 [Hellmail](#): Chronoexpres, parcels subsidiary of Spanish postal operator Correos, has signed a deal with Portuguese-owned Trans-Go Express. The deal will extend the reach of Chronoexpres products and increase business for Trans-Go Express. Correos said Trans-Go Express guarantees full coverage in 24 hours throughout Portugal and Chronoexpres has total territorial coverage in Spain - working together enhancing the scope of services available to customers in both countries.


 [Hellmail](#): French postal operator La Poste reports that revenue for 2010 grew by 2% to €20.9bn, operating profit rose by €27m to €784m, and debt was reduced by €713m. Jean-Paul Bailly closed the Group's consolidated financial statements for 2010, thanking postal workers for their commitment and major contribution to customer service and Group modernisation. Accordingly, he announced the payment of incentive bonuses totalling €60 million, i.e. €245 per employee (+11% on 2009). The amount is the same for each postal worker, whatever their status, profession or level of remuneration.




 [The Guardian](#): Royal Mail has told workers that **its employee share scheme will be virtually worthless** when it matures next year, dashing hopes of a windfall for staff. Having carried out a valuation of the scheme, new chief executive Moya Greene has blamed the group's financial position and lower than expected cost savings. The maximum payout would have been £3,000 but **the scheme now seems unlikely to pay anything**. Former chairman Allan Leighton set up the share scheme along with former chief executive Adam Crozier in 2007 to give staff an incentive to boost productivity and compete with private sector rivals. Dave Ward, deputy general secretary of the Communication Workers Union, said in a letter to members that **the value of each worker's holdings in the scheme had fallen from around £1,400 in September 2010 - "to nothing"**.


 [KTIV](#): Members of the American Postal Workers Local 186 are gearing up for a fight. Last week, the federal government announced its intention to study the possibility of moving work at the Sioux City mail processing plant to Sioux Falls, South Dakota.

 [Courier, Express, and Postal Observer](#): Many of the readers of the blog have raised the questions as to whether the Postal Service would have been better served going to arbitration. In a comment to another post a reader provided a history of previous contracts that were sent to arbitration, The picture is not pretty.


 [Gearlog](#): The Association of American Publishers recently released figures for the past year ending in January 2011, and the results are startling: eBooks have taken off in a large way, with sales of eBooks from various book stores doubling year-over-year from January 2010; close to 115%. The report also cast gloom over sales of traditional paper books, which declined approximately 30% over the same period. Hardcover sales were the biggest loss, dropping over 11% from January 2010 to January 2011.

*March 21, 2011*

 [Daily Mail](#): Royal Mail is planning to axe 1,700 jobs, including 1,000 managers, and close two mail centres in London under plans which have been announced. The company also said that a further 1,700 jobs had been cut since the start of the year in areas including finance, IT, human resources and support services. The number of employees has been reduced by around 65,000 since 2002.

 [Advertising Age](#): Online Self-regulation May Not Satisfy Obama Administration


 [Courier, Express, and Postal Observer](#): A compensation comparison chart.

 [MediaWeek](#): Time Inc. isn't the only entity facing a leadership dilemma following the recent dismissal of its CEO, Jack Griffin. The Association of Magazine Media (MPA), the industry's leading trade association, has also been left without a leader.





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


**Should the Postal Service Monitor Packaging Supplies?** Should the Postal Service monitor packaging supplies to control costs? [LINK](#) here to learn more give your comments.


 [Courier, Express, and Postal Observer](#): Most of the comparisons made on health benefits compare what the Postal Service offers to what other Federal Employees receive. There are two parts of this benefit. First there are benefits that exist while a person is working for the Postal Service. The second are benefits that accrued while the person works but are payable when they retire. A similar comparison needs to be made on retirement benefits. While up until the signing of the APWU contract the retirement benefit structure of Postal Service and other federal government employees is the same, it is not clear if the hourly cost per employee is the same as the mix of employees in CSRS and FERS may differ and the contribution rates of Postal Service and Federal Government employees into retirement programs with an employer match may also differ Postal employees like UPS's teamster


employees have both pre- and post-retirement health benefits. FedEx employees only have health benefits while they are working for FedEx.


 [Courier, Express, and Postal Observer](#): The Pittsburg Tribune-Review's editorial illustrates the problem that the Postal Service created because it did not recognize that it had to sell the contract to Congress, influential news media, and its customers. The Postal Service needs the support of all three if the rest of its restructuring programs are to be approved. For example, why would a member of Congress acquiesce to the closure of a local processing plant or accept 5-day delivery, or modify the payment terms on retiree obligations if they believed that the Postal Service did not do all it could to reduce its compensation costs and excess employees.


 [Federal Times](#): The Postal Service is losing billions and has a plan to solve its crisis. Congress and the Obama administration are standing in its way. Congress has a choice: It can either grant the Postal Service the control it needs to manage its \$67 billion business, or foot the bill for a multibillion-dollar bailout.


 [Datamonitor](#): Digital communication systems such as digital postal mail could be a novel way for postal companies to address declining mail volumes, while also adding to their top-line. Digital mail can be used in a variety of ways and provides a secure, environmentally friendly communication channel. The success of the service depends to a large extent on partnerships being developed with service companies. A digital postal mail service includes an electronic mailbox account which is a digital equivalent of a physical postal address and can be accessed through a registered identification number, such as a passport number. This account can then be used as a single point for sending and receiving mail. The mail itself can be digital (electronic sending and delivery), hybrid (a combination of electronic and physical sending and delivery), or print to digital (physical sending and electronic delivery). The biggest opportunity within digital postal mail lies in partnering with companies from areas such as banking and telecom services for the management of business documents. In this area, digital postal mail serves as a secure and green business-to-consumer communication channel between companies and their customers or staff for key documents. These documents could include pay slips, employment contracts, salary information, bills, and policy documents, as well as various other types. Digital postal mail can also be a medium for e-commerce fulfillment.

 [Nairobi Star](#): The Postal Corporation of Kenya must re-align its organisational structure with new business priorities and tap young talent to cope with the rapidly changing landscape of postal business and increasing competition, a new study says. The study conducted by IBM Corporate Service Corps Team Kenya proposes strategic directions for competitive re-positioning of the corporation against challenges and new opportunities brought about by the digital era and changing competitive landscape.


 [Hellmail](#): Syslore Ltd., the leading developer of intelligent data matching and address recognition solutions for postal, logistics and mailing companies, is delighted to announce an order from Posten Norden AB.

 [AMEInfo](#): Universal Postal Union workshop highlights new regional approach to quality of postal services in region.


 [Pittsburgh Tribune](#): Rather than press for flexibility to stem fiscal hemorrhaging, the U.S. Postal Service sustains the stagnant status quo in a new tentative contract with one of its largest unions. The 4 1/2-year deal, subject to a vote by the 205,000-member American Postal Workers Union, perpetuates an ineffectual business model -- one that's underscored by this year's projected losses of \$7 billion. Proponents on both sides of the accord tout pay raises held to 3.5 percent over the life of the contract and that workers will contribute "more" to their health insurance. Big deal. By 2016, the postal service's share of health premiums marginally drops, from 79 percent to 76 percent. Most federal agencies cover 72 percent, The Washington Post reports. Meanwhile, the postal service will limit "excessing" -- that is, reassigning postal workers from one city to another. And, naturally, the new deal will protect jobs, assures APWU President Cliff Guffey. So much for innovation.


 [Daily Mail](#): Royal Mail has admitted it destroys an average of 25million letters, packets and parcels every year. A mountain of undelivered correspondence – costing millions in postage – is amassed at the firm's National Returns


Centre at a rate of almost 70,000 items per day. Items with valuable contents are retained and then sold at auction, with the profits going to Royal Mail – but the rest are shredded.


 [The East African](#): In a move intended to re-position the Postal Corporation of Kenya (PCK) against challenges brought on by the digital era and changing competitive landscape, IBM's Corporate Service Corps conducted a research survey on the attitude of Kenyans toward the service. The findings indicate that a paradigm shift in operations is needed, in the light of technological innovations and increasing competition.


*March 20, 2011*


 [BGR](#): A recent study conducted by payment solution provider Mobio Identity Systems suggests that North Americans are eager to see mobile payments become a reality. Mobio recently surveyed 1,085 people across North America and found that the overwhelming majority — 94% — would use mobile payments if they knew the system was secure.

 [Hellmail](#): Over the past two years, and ahead of full market liberalisation in 2013, Croatian Post has conducted an extensive restructuring process which it hopes will lay down the foundations for a more secure future. One of the key areas was investment in human resources with more attention paid to the development of internal staff. Restructuring, introducing new services, upgrading of existing services and above all, preserving the trust of postal users were seen as critical and after many years of losses, Croatian Post is now seeing positive results in the market.


 [Courier, Express, and Postal Observer](#): One of the challenges in trying to figure out whether the Postal Service has signed a financially responsible contract is that there are few good figures available regarding what are market wages for the work that APWU members do. The Teamsters Union have recently posted in UPS Teamster Update a comparison of UPS and FedEx Express employee wages.

 [Wall Street Journal](#): U.S. postal officials are expected to detail plans on Friday for eliminating about 7,500 administrative and management positions.


 [Federal Times](#): Higher gasoline prices — up 77 cents since this time last year to an average of \$3.56 a gallon — are squeezing federal agencies already struggling with tight budgets. The U.S. Postal Service fleet of 215,000 vehicles logs 4 million miles per day, and every 1-cent increase in fuel prices costs the agency \$6.5 million annually, according to Steve Masse, vice president of finance and planning. "If gasoline prices were to rise 58 cents from current levels ... USPS fuel costs would increase by an additional \$31 million per month," Masse said in a statement. He cited an all-time high average of \$4.11 in July 2008. The Postal Service's fuel bill for 650 million gallons totaled \$1.7 billion in 2010.


 [Slashdot](#): Late last year, we mentioned the idea floated by Michael J. Ravnitzky, a chief counsel at the Postal Regulatory Commission, that the US Postal Service use its wide-ranging fleet to gather and upload useful data of all kinds — everything from weather conditions to RF coverage. Now, an anonymous reader writes "A workshop on this topic is scheduled for April 12th in Washington, DC. This month, the Postmaster General sent a letter to Senator Thomas Carper, Chairman of the US Senate Subcommittee that oversees the Postal Service, expressing interest in exploring this concept."


 [Chicago Tribune](#): No rain, sleet or snow, but mail goes missing.


 [Postalnews Blog](#): Twitter has provided politicians a quick and easy way to broadcast their opinions- we've told you previously how the USPS's congressional overseer, Dennis Ross doesn't think postal workers should have unions, never mind collective bargaining. Now his boss, Darrell Issa, has suggested that maybe we don't need the USPS at all.

*March 19, 2011*

 **Hellmail:** Alan Crowe MLC, Chairman of Isle of Man Post Office said this week that proposed strike action by Communication Workers Union members on the island would be "reckless". He said any pay increase had to be viewed against a backdrop of a public sector pay freeze and that the Isle of Man Post Office was very limited in what it could do.

 **Business Insider:** The word in Washington is that President Obama is close to naming departing CEO Eric Schmidt as the nation's next Secretary of Commerce.

 **The Bismarck Tribune:** After eliminating 100,000 positions, the U.S. Postal Service still lost \$8.5 billion last year. Understandably, that has USPS officials searching for savings everywhere, including Bismarck. Closing the downtown Bismarck post office and moving the boxes to the USPS building on Expressway would save the federal mail delivery operation \$162,000. he proposed cost-saving action by the USPS would be inconvenient for many of the 1,916 boxholders. It would be an unfortunate hit to the redevelopment of the city's downtown. Post offices are community focal points, the loss of which can be painful, as we have seen in many small North Dakota communities that have lost their regular post offices. However, the financial hemorrhaging of the postal service must be stopped. If closing the downtown Bismarck operation is necessary as a part of the USPS cost cutting, then so be it. We can't demand reduced costs and lower taxes and then protest and complain about reduced services.

 **Des Moines Register:** The U.S. Postal Service says it is again reviewing whether to consolidate its Sioux City processing center with one 75 miles north in Sioux Falls, S.D. The service decided against doing so five years ago, when the idea was first raised. There has been a substantial drop in first-class mail revenue since, thanks in part to web-based bill paying. A consolidation study is expected to be finished before fall.


 *From the Federal Register:*

### **Postal Service**

#### **RULES**

Rules of Practice in Proceedings Relative to Mail Disputes ,  
15218–15219 [2011–6332]

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

 **Multichannel Merchant:** Talk of five-day mail delivery has permeated the postal world since former U.S. Postmaster General John E. Potter proposed it in 2009. Now, the Postal Regulatory Commission is about ready to issue an advisory opinion on the proposal to Congress. It's hard to say exactly when the PRC's advice on eliminating Saturday postal delivery will reach Congress, though. "The commission is working overtime to resolve both the complex technical and policy aspects of this case," says PRC chairman Ruth Goldway. "We expect to produce our advisory opinion shortly."



### **DMM Advisory: IMb™ Services Update.**

**PostalOne! Release 26.0.1.4** will be deployed to the production environment on Sunday, March 20, 2011, during the scheduled maintenance window from 4 a.m. to 8 a.m. CDT and to the Test Environment for Mailers (TEM) on Monday, March 21, 2011, from 4 a.m. to 8 a.m. CDT. Users may experience intermittent outages during these periods. The *PostalOne!*® .XML applications (including FAST OPS web services) will be unavailable during each period for database maintenance.

**PostalOne! Full-Service and Mail Quality reports** will be unavailable to mailers from 5 p.m. CDT Thursday, March 24, 2011, to 6 a.m. CDT Monday, March 28, 2011, while the USPS™ MicroStrategy reporting servers are upgraded from MicroStrategy Version 8.x to MicroStrategy Version 9.x.

**Flats Sequencing System Presort Level ID Codes** — As more mailers begin to adopt the optional Flats Sequencing System (FSS) bundle preparation standards, the Intelligent Mail® barcode system needs a way to indicate that level of presort. Barcode ID 20, currently used for optional endorsement line (OEL) 5-digit and 5-digit scheme presorts, has been extended for use on flats prepared under the rules for optional FSS bundle preparation.

The barcode ID tables have been updated in the [Barcode ID table](#) and [Technical Resource Guide](#) on [RIBBS®](#). Clarifying the use of Barcode ID 20 for FSS OEL will not affect systems using Barcode ID information, but rather enable the Intelligent Mail barcode system to reflect bundles prepared under the FSS optional preparation.

**Be on the Lookout for New Products.** We've had a busy week with Postal Regulatory Commission (PRC) filings — two announcements and one completed review for new products and services.

**Parcel Select Regional Ground Service** — This final rule *Federal Register* incorporates a new price category called Regional Ground service, which we filed in February with the PRC. Parcel Select® Regional Ground service is designed for commercial customers who ship lightweight parcels primarily destined to USPS® zones local, 1, 2, and 3. The entire final rule can be viewed on the [Postal Explorer®](#) website by clicking “Federal Register Notices” in the left frame. The effective date is April 17, 2011.

**Parcel Select Forwarding and Return to Sender** — On March 16, we notified the PRC of our intention to charge an additional \$3.00 service fee, in addition to the Parcel Select barcoded nonpresort price for any Parcel Select items that are returned or forwarded. Pieces will no longer be handed off to facilitate local delivery within the same office, but will be sent to a Centralized Forwarding System for automated handling.

**Introducing — Priority Mail Forever Prepaid Flat Rate Packaging** — On March 16, we notified the PRC of our intention to introduce a new price category within Priority Mail® to allow Forever® Prepaid Flat Rate packaging. Forever Prepaid packaging can be purchased by credit card online only in multi-packs and will be sent to customers with prepaid mailing labels affixed for the following Priority Mail items:

- Flat Rate Envelopes – Regular, Legal, and Padded
- Flat Rate Boxes – Small, Medium (2 styles), and Large.

We plan to begin offering Priority Mail Forever Prepaid Flat Rate packaging on April 17, 2011.

*March 18, 2011*




The Postal Service is conducting a National Grow Your Business Campaign. Nationwide there are 1245 events currently being planned. The content of these initial Grow Your Business Day events will be Every Door Direct Mail (EDDM). [Register for the Every Door Direct Mail™ seminar](#) from the U.S. Postal Service®. [For more on when and where](#), check the information that's been posted on this site.





*At the Postal Regulatory Commission:*


- **R2011-4** Order No. 700 - Order Approving Rate Adjustment for Hongkong Post-United States Postal Service Letter Post Bilateral Agreement Negotiated Service Agreement  
[http://www.prc.gov/docs/72/72287/Order\\_No\\_700.doc](http://www.prc.gov/docs/72/72287/Order_No_700.doc)  
[http://www.prc.gov/docs/72/72287/Order\\_No\\_700.pdf](http://www.prc.gov/docs/72/72287/Order_No_700.pdf)
- **CP2011-53** Order No. 699 - Order Approving Amendment to Parcel Select Contract 1 Negotiated Service Agreement  
[http://www.prc.gov/docs/72/72286/Order\\_No\\_699.doc](http://www.prc.gov/docs/72/72286/Order_No_699.doc)  
[http://www.prc.gov/docs/72/72286/Order\\_No\\_699.pdf](http://www.prc.gov/docs/72/72286/Order_No_699.pdf)
- **MC2011-16** Order No. 699 - Order Approving Amendment to Parcel Select Contract 1 Negotiated Service Agreement


[http://www.prc.gov/docs/72/72286/Order\\_No\\_699.doc](http://www.prc.gov/docs/72/72286/Order_No_699.doc)  
[http://www.prc.gov/docs/72/72286/Order\\_No\\_699.pdf](http://www.prc.gov/docs/72/72286/Order_No_699.pdf)


 **Wall Street Journal:** FedEx Corp said Friday that it was the subject of a Department of Justice civil investigation into alleged anticompetitive behavior in the parcel-delivery market. The package shipper said in a regulatory filing that the justice department last month asked it to provide information "into the policies and practices of FedEx and United Parcel Service, Inc. (UPS) for dealing with third-party consultants who work with shipping customers to negotiate lower rates."

 **Congressman José E. Serrano** has sent a letter to the Postmaster General warning him that plans to consolidate and close postal facilities in the Bronx was an unwise idea that unfairly impacts the Bronx community.

 **U.S. Senator Mark Pryor** has given the United States Postal Service's (USPS) a failing grade for its efforts to keep communities informed about potential post office closures. The USPS currently has an operating deficit of over \$8 billion and may be forced to close up to 2,000 post offices. While Senator Pryor agreed that the USPS needs to implement cost-cutting measures to reduce their deficit, he urged the USPS to keep communities a priority in the process. Specifically, he requested the USPS fairly review post offices on a case-by-case basis, provide clear criteria about post office closures, and notify residents about community meetings.

 **Dead Tree Edition:** Is the APWU Eating Its Young? Although the American Postal Workers Union has done all the crowing about its new labor contract, the deal includes several items that could save the U.S. Postal Service significant expenses. The USPS' contract with its largest union is mostly good news for current APWU members, but will mean lower pay and more erratic schedules for new hires, postal analyst Alan Robinson pointed out today.

 **Equimedia:** Direct mail marketers are being targeted with new Royal Mail proposals to boost the use of the traditional medium in the aftermath of a postal price hike. The postal provider announced last week that it would be increasing its prices for higher volume business packets and mail by ten per cent, in May, meaning businesses could be facing higher prices for sending out direct mail. But the company has come forward to encourage marketers to continue to use direct mail as a way to spread their message.

 **Post & Parcel:** Day two of PosTech provided an insight into development of e-communications and the use of social media. The industry-leading conference took place this week in Dubai at the Hyatt Regency Hotel. Delegates heard from Jacob Johnsen, hybrid mail strategist, Ipostes, who examined whether hybrid mail is ready to dominate the postal landscape of the future.

 **Mmegi:** BotswanaPost's International Mail Exchange Centre will transform Botswana's postal operations and raise them to world standards.





The following reports have been posted on the U.S. Postal Service Office of Inspector General Web site (<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.


- [Follow-Up Review of Operations and Service in the Philadelphia Customer Service District \(NO-MA-11-003\)](#). Overall, operations and service have improved in the Philadelphia Metropolitan Customer Service District. However, a few significant issues remain, involving color-coding of incoming mail to ensure accurate tracking, reporting of delayed mail, and mail flow at the Philadelphia Processing and Distribution Center.
- [Network Distribution Center Activation Impacts \(EN-AR-11-002\)](#). We determined the Postal Service fell short of its estimated transportation savings for the Network Distribution Center Activation initiative. This occurred primarily because the agency underestimated mail volume between processing facilities created by the initiative and resulting increase in surface transportation needed to realign its transportation network.




- [The Effects of the Flats Sequencing System on Delivery Operations - Arizona District \(DR-MA-11-001\)](#).

 **Press Release:** Husch Blackwell's Government Contracts and Postal Service Contracting groups are pleased to announce the launch of The Contractor's Perspective ([contractorsperspective.com](http://contractorsperspective.com)). This online resource provides information and analysis on current legal issues impacting companies who do business with the U.S. Postal Service and other federal agencies.

 **Courier, Express and Postal Observer:** Conservative thinkers are just beginning to start thinking about what to do with the Postal Service. As those who read this blog know, this is a complicated problem and the solution will likely cause pain for all stakeholders and eliminate protections that many have from the status quo. In a well reasoned article entitled, "Does the U.S. Treasury Owe \$75 Billion to the Postal Service?" Michael Schuyler, a Senior Economist at the Institute for Research on the Economics of Taxation reviews the number one topic discussed among postal stakeholders, disputes over Postal Service obligations for retirement obligations. Simply stated, Mr Schuyler states that if the law states that the Postal Service does not owe the money it should be refunded. If the law states that the Postal Service owes the money, then it is a Congressional prerogative to change the law but the budget deficit requires that changes in law should be considered carefully. If Congress determines that the law should be changed but due to the deficit changes cannot be made to fully cover the disputed overpayment then the focus should be elimination of prospective overpayments.

 **Bloomberg:** The U.S. Postal Service, which says it may run out of cash, needs chief executive officers of companies like Bank of America Corp. (BAC) and Verizon Communications Inc. (VZ) to convince Congress to provide long-term relief, the agency's regulator said. President Barack Obama, in his budget proposal, proposed deferring \$4 billion of a benefits payment this year and refunding some surplus pension payments. If executives from banks, utilities, publishers and other large users of mail services push lawmakers, there will be a better chance of adjusting the amount than if just their trade groups do, Postal Regulatory Commission Chairman Ruth Goldway said. "That's what we need," Goldway, 65, said yesterday in an interview at Bloomberg's Washington office. "The associations are very valuable, but that's not what's going to make the difference now."

 **Leagle.com:** ASCOM HASLER MAILING SYSTEMS, INC., Plaintiff, v. UNITED STATES POSTAL SERVICE, Defendant. NEOPOST, INC., Plaintiff, v. UNITED STATES POSTAL SERVICE, Defendant.



A document from [Japan Post](#) regarding the effect of radioactivity on the mail has been posted on this site.



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

- The American Postal Workers Union and the U.S. Postal Service have reached a tentative agreement on a new contract, union President Cliff Guffey announced this week.
- The Institute for Research on the Economics of Taxation has asked the question "Does the U.S. Treasury owe \$75 billion to the Postal Service?" The report lays out both sides of the debate over whether or not the Postal Service has overfunded its Civil Service Retirement System (CSRS) pension, as well as the history of the allocation question, including relevant legislation. It also examines the subjective concepts of fairness and finds strengths and weaknesses on both sides.
- The Postal Regulatory Commission (PRC) this week approved the Discover Negotiated Service Agreement (NSA) as a new product to be assigned to the market dominant product list. The Postal Service is to submit its data collection plan 60 days from the anniversary implementation date each year as long as the contract is active.
- The National Center for Policy Analysis and Cato Institute has released an article this week discussing the merits behind privatizing the U.S. Postal Service. The article discussed the economic problems of the Postal Service and possible changes in its structure that would help keep it solvent. It concludes that, given the state of technology, privatization probably is the only long-term solution for the USPS.

- The US Court of Appeals held oral arguments on March 15. Paul Clement, the former solicitor general who is now in private practice at King & Spalding, argued for the Postal Service. Daniel Tenny, a Department of Justice lawyer, argued for the Postal Regulatory Commission. The court did not allow counsel for interveners to share the argument time. The panel consisted of Judges David Tatel, Karen Henderson, and Janice Rogers Brown.
- The USPS in the March 2011 edition of its PCC Insider publication included an update on its folded self-mailer testing and pending proposed rule changes.
- The following is a contribution to the PostCom Bulletin by someone, who, for purposes of his or her own, has chosen to be known simply as Invisible Hand.
- According to the Courier, Express, and Postal Observer, “if the Postal Service was a public company with shareholders and bondholders it would now be making an aggressive, and in most cases a public effort, trying to explain to them why this agreement is good for shareholders and bondholders. This effort would include briefings with investment analysts and the business press. It has not done that even though Congress effectively acts as the representative of the Postal Service's shareholder and its largest creditors, the Office of Personnel Management and the Department of Labor. Congress's role as the representative of the creditor should be of particular interest as the Postal Service has already stated that it will default on these obligations.”
- Do not mail bill introduced in Missouri. County targets junk mail for waste reduction. NALC comments on sister union's tentative agreement. Comments due 4/13 on NDC preparation on rules. USPS releases update on mail service issues in Japan. Why the Postal Service matters: UPS Surepost. Saginaw post office jobs will move to Pontiac. UPS CEO gets raise. CA APWU local calls on Obama to name a Democrat to the PRC. RFID for postal and courier services 2011-2012. USPS enables ‘forever’ postage on Priority Mail flat rate packaging. PRC approves Regional Ground Service. USPS introduces new pricing for Parcel Select returns and forwards.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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




*The PostCom Bulletin is distributed via [NetGram](#)*

**[The Motley Fool](#):** Over the past 12 months, UPS generated \$2,446.0 million cash on net income of \$3,488.0 million. That means it turned 4.9% of its revenue into FCF. That sounds OK. However, the FCF is a lot less than net income. Ideally, we'd like to see the opposite. Since a single-company snapshot doesn't offer much context, it always pays to compare that figure to sector and industry peers and competitors, to see how your business stacks up.

**[PRWeb](#):** Digital Technology International (DTI™) and Dimaps, a provider of distribution optimization solutions and digital mapping to newspapers and other distributors, have announced the signing of a partnership agreement. Mary Olson, chief operating officer, DTI, said, “Together with Dimaps, the agreement enables us to provide enhanced distribution optimization solutions for our 1,000 DTI Circulation system customers around the world.” DTI Circulation delivers all the tools necessary for effective circulation management. Amongst the system's more than 1,000 users worldwide are NewsCorp. (Australia); DC Thomson (Scotland); HSS Media (Finland); Transcontinental (Canada) and Cox Media (United States). Dimaps slates as customers the Icelandic Postal Service as well many of the leading publishers and distributors in its native Denmark.


**[Postalnews Blog](#):** Burrus tells APWU members new contract would “turn back the clock” . . . This tentative agreement will turn back the clock and erase those years of struggle. Notwithstanding the rationalization, if this contract is ratified, future employees will suffer reductions in pay of more than \$300 per pay, more than \$600 per


month and over \$8,000 per year. Over a 30 year career these losses will exceed more than \$250,000 and will continue into retirement, when the annuity includes the salary reductions. In total, each employee hired after the date of this contract will receive over \$300,000 less for performing the same work.


 **Roll Call:** The Government Printing Office, finding its paper-based mission under Congressional attack, is considering a name change to reflect its role in the digital age.





A Peer-to-Peer Roundtable on Postal Regulatory Issues, led by two senior representatives from the Postal Regulatory Commission, will be held at the National Postal Forum this year. That Roundtable is scheduled for Monday, May 2nd, from 4:30 to 6:00 p.m. at the San Diego Convention Center, Ballroom 6C. Information to register in advance is available here: <http://npf.org/peer-to-peer>


 **Cato@Liberty:** The U.S. Postal Service is in financial trouble. Undermined by advances in electronic communication, weighed down by excessive labor costs and operationally straitjacketed by Congress, the government's mail monopoly is running on fumes and faces large unfunded liabilities. Socialism apparently has its limits. While the Europeans continue to shift away from government-run postal monopolies toward market liberalization, policymakers in the United States still have their heads stuck in the twentieth century. That means looking for an easy way out, which in Washington usually means a bailout. Self-interested parties – including the postal unions, mailers, and postal management – have coalesced around the notion that the U.S. Treasury owes the USPS somewhere around \$50-\$75 billion. (Of course, “U.S. Treasury” is just another word for “taxpayers.”) Policymakers with responsibility for overseeing the USPS have introduced legislation that would require the Treasury to credit it with the money.

 **KAIT:** U.S. Senator Mark Pryor issued strong words to the U.S. Postal Service Thursday in the wake of possible post office closures in Arkansas. Pryor gave the USPS a failing grade for its efforts to keep communities informed about possible post office closures. The list of possible post office closures include Alicia, Wilson, State University (ASU), Peach Orchard, Wideman, Pineville, Board Camp, Gepp, Goodwin, Ida, Monroe, Johnson City, Springdale, East Camden, and Driver.

 **Post & Parcel:** The UK's post office network could move to become a mutual organisation or co-operative before the next general election, the government stated yesterday. The Post Office Ltd, which oversees nearly 12,000 post office branches across the UK, is set to remain in public ownership when the Royal Mail Group is broken up, with the Royal Mail destined for privatisation. But under the government's plans, the Post Office Ltd could only be owned by the government or a mutual organisation.

 **KTIV:** The U.S. Postal Service will once again study the possibility of consolidating Sioux City's mail processing center to Sioux Falls South Dakota. In a release, the district director said the study will determine capacity needs at a facility in order to increase efficiency and improve productivity. The study should be complete this spring or summer.


 **CNNMoney:** Is the economy of the United States in better shape than many people think? If you look at the latest earnings forecast from FedEx, the answer would appear to be yes.


 **Roll Call:** House Oversight and Government Reform Committee Chairman Darrell Issa announced Thursday that he will investigate the allegations that D.C. Mayor Vince Gray offered a quid pro quo to a former mayoral candidate.




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

**March 17, 2011**

 **MESNET**: A nationwide mobile environmental sensor network consists of vehicles and other mobile platforms that collect environmental observation data as they travel. The observations are valuable for many applications ranging from weather forecasts, travel conditions, communications, national security, energy, health, and a host of others.. The meeting will present how some stakeholders are currently putting a mobile environmental sensor network to work. The meeting will also provide the opportunity to discuss technologies and approaches for creating mobile environmental sensor networks, and for developing funding mechanisms. For more information: <http://www.usmesnet.org/meeting.html>


 **Ad Age Digital**: The Obama administration asked Congress to pass an online-privacy law today, a set of "baseline" protections that would act as a privacy bill of rights, a significant move designed to settle the continuing digital-privacy debate. But an important factor here that has not been discussed is the timing of the president's call to Congress.


 **Forbes**: Optical fiber may be the only way ahead to provide high-speed Internet in India. But the business case looks tough in the short term.


 *At the Postal Regulatory Commission:*


- **CP2011-63** Order No. 697 - Notice and Order Concerning Use of Forever Postage on Priority Mail Flat Rate Packaging  
<http://www.prc.gov/docs/72/72275/Order697.doc>  
<http://www.prc.gov/docs/72/72275/Order697.pdf>
- **CP2011-60** Order No. 695 - Order Approving Changes in Rates of General Applicability for a Competitive Product  
[http://www.prc.gov/docs/72/72271/Order\\_No\\_695.doc](http://www.prc.gov/docs/72/72271/Order_No_695.doc)  
[http://www.prc.gov/docs/72/72271/Order\\_No\\_695.pdf](http://www.prc.gov/docs/72/72271/Order_No_695.pdf)
- **CP2011-64** Notice of the United States Postal Service of Changes in Rates of General Applicability for A Competitive Product, Established in Governors' Decision No. 11-5  
<http://www.prc.gov/docs/72/72269/Notice.FRTS.Price%20Change.pdf>  
[http://www.prc.gov/docs/72/72269/PS%20Fwd\\_ReturnToSender\\_Data\\_Public.xls](http://www.prc.gov/docs/72/72269/PS%20Fwd_ReturnToSender_Data_Public.xls)  
[http://www.prc.gov/docs/72/72269/PS\\_Fwd\\_ReturnToSender\\_Analy\\_Pub.xls](http://www.prc.gov/docs/72/72269/PS_Fwd_ReturnToSender_Analy_Pub.xls)


 **Courier, Express, and Postal Observer**: "Is the APWU Contract Good for Creditors and Shareholders?"


 **The Economic Times**: Western Union Money Transfer along with India's Department of Post has transferred USD 6.5 billion worth of remittances through 7,000 strong postal location network dotted across urban and rural India in the last decade.


 **Press Release**: FedEx Corp. today reported earnings of \$0.73 per diluted share for the third quarter ended February 28. Excluding costs related to the previously announced combination of the company's FedEx Freight and FedEx National LTL operations, third quarter earnings were \$0.81 per diluted share, compared to \$0.76 per diluted share a year ago. "Continued growth in the global economy is driving solid revenue gains in our transportation businesses," said Frederick W. Smith, FedEx Corp. chairman, president and chief executive officer. "We expect strong demand for our services to boost our financial performance in our fourth quarter."


 **Media Daily News**: The good news is that U.S. ad economy expanded 6.5% in 2010. The bad news is that some major media - especially print media like newspapers and magazines - are still substantially below pre-recession ad spending levels of two years ago.


 **BGR**: Credit card giant Visa has announced a new payment service for U.S. consumers set to launch in the second half of 2011. The new offering closely mimics services offered by PayPal, allowing users with a Visa-branded credit, debit, or pre-paid account to transfer money amongst each other.


 [The Royal Gazette](#): Junior Finance Minister David Burt suggested today that Government should consider privatising some of its services in order to inject “much needed innovation” into the economy. He told the Senate candidates for privatisation could include public transport, postal services, waste collection, waste treatment, water and recycling.


 [KITV](#): The U.S. Postal Service in Hawaii has begun checking mail arriving from Japan after mail in San Francisco and New York showed low levels of radiation, USPS officials said.


 [New Zealand Herald](#): Kiwibank is operating a high-cost model compared with banking sector benchmarks, and will be seeking to trim fat as it anticipates slower growth for the rest of this financial year, said Michael Cullen, chairman of parent New Zealand Post.


 [American Postal Workers Union](#): The APWU Rank-and-File Bargaining Advisory Committee voted unanimously on March 16 to approve a Tentative Agreement with the USPS for a new contract. Members of the APWU Rank-and-File Bargaining Committee approve the Tentative Contract unanimously on March 16. The Tentative Agreement will be sent to eligible union members for a ratification vote. Details about the vote, which the committee will supervise, will be announced once plans are finalized.


 [American Postal Workers Union](#): "Some Questions – and Answers – On the Tentative Agreement"


 [Courier, Express, and Postal Observer](#): The Wall Street Journal reported today that some of the nation's largest retailers are backing a coalition called the Alliance for Main Street Fairness to force e-commerce only retailers to collect sales taxes on their web-based sales just like they do on their sales at both brick-and-mortar outlets and over the Internet. Companies that are part of the coalition include Wal-Mart, Target, Best Buy Co., Home Depot Inc. and Sears Holdings Corp. These large retailers have expanded their web presence and are among the top twenty web-based retailers in the United States. On the other side of this issue are on-line only companies like Amazon. com, NewEgg, and regional merchants that sell nationwide over the web.

 [Canadian Transportation & Logistics](#): Logistics professionals are sifting through the latest crop of software applications looking for solutions they hope will give them with an edge over the competition.


 [Post & Parcel](#): Polish postal workers took to the streets yesterday to protest thousands of potential lay-offs and post office closures, with several more protests planned. The union said Polish Post’s distribution network was its biggest assets, and that reducing its size would reduce the value of the company as a whole. The unionists also suggested that reducing infrastructure would not help Polish Post when the domestic market is opened up to foreign competition under European Union liberalization regulations in 2013.


 [Flint Journal](#): About 65 people, mostly workers at the U.S. Postal Service's Flint Processing and Distribution Center gathered outside the facility, 250 East Boulevard Drive, on Wednesday to protest a Postal Service recommendation to close the center and move its operations to Pontiac. Workers and leaders with the Flint-area local of the American Postal Workers Union wanted to let the public know they think, despite the official USPS stance, closing the site would lead to slower service for local customers and about 115 fewer jobs in Flint.

 [Sentinel Source](#): Postmaster General Patrick Donahoe told the House Postal Oversight Committee that by next fall the postal service won’t have the cash on hand to put up \$5.5 billion for future retirees’ medical expenses and \$1.3 billion for workers compensation. At least not unless Congress lends a hand. What’s needed is a rational formula to determine which post offices can be closed without disrupting lives, communities and mail delivery itself. And until such a formula is publicly debated and democratically adopted, the law against shuttering the unprofitable should remain in place — and Congress should provide whatever help is required to keep the postal service going.


 [KSLA](#): USPS officials announced plans to consolidate the Texarkana Mail Processing operations with those at the Shreveport plant. The decision was emailed to KSLA News 12 Tuesday evening. That decision came as the result of a 7 month study on whether the closing would help save money.




 **KRIS-TV**: It's been a part of the local landscape for decades, but the future of the Chapman Ranch post office is now in doubt. The United States Postal Service said a recent review of business shows that the work load in Chapman Ranch has declined over the years and the community may no longer warrant an independent post office.


 **PRNewswire**: Despite the tragic events as a result of the March 11th earthquake and tsunami, the postal administration of Japan continues to accept all types of international mail. Mailers are advised, however, to expect delays in the delivery of all types of mail sent to Japan and in the transmission of information on Express Mail International items and Priority Mail International parcels. Significant delays could be experienced for items addressed to northern Japan, including Sapporo, Sendai, Hokkaido, Aomori, Akita, Iwate, Miyagi, Yamagata, Fukushima, and Ibaraki. Additional information and updates regarding acceptance and movement of international mail to these areas are posted online at [usps.com/communications/news/serviceupdates](http://usps.com/communications/news/serviceupdates).


**March 16, 2011**


 **National Association of Major Mail Users**: As a normal part of negotiation tactics, this week CUPW called for a strike vote. Each Local votes individually and the period of voting dates is between March 25th and April 17th. The union maintains a strong mandate to strike from its members will assist their bargaining with management. At this point in the conciliation process, big issues remain on the table, however, both parties continue to work on these issues with the conciliator, Jacques Lessard. Mr. Lessard is an experienced conciliator who has worked with Canada Post and CUPW during each round of collective bargaining since 1997, understands the postal system, knows the parties and issues involved in this current round of negotiations. We continue to stress that conciliation is a normal part of the negotiation process. This process can be extended beyond 60 days if both parties agree, and as well, the Minister of Labor also has the option to introduce mediation following the conciliation process.


 The designated postal operator of Japan asks that the designated operators of other UPU member countries be informed that Japan Post Service ensures methods of transportation and resume the delivery in the areas affected by the earthquake. Although some of the affected areas, as shown in the below list, continue to have difficulties in delivering items, Japan Post Service is providing maximum effort to ensure delivery of items to addressees. For example, Japan Post Service's staff goes to the evacuation centers to look for the addressee and deliver the item directly to him/her. Japan Post Service would also appreciate it if the other designated postal operators would kindly understand that some items for which the addressees remain unknown regardless of Japan Post Service's investigation will be returned to the senders out of necessity.


Affected areas	Mail types
<p>Along the Pacific Ocean coast and neighboring inland areas of Aomori, Iwate, Miyagi, Fukushima and Ibaraki prefectures.</p> <p>*Note: The details of the areas are still under investigation.</p> <p>Part of the areas with postal codes beginning with the following two numbers: 02, 03, 30, 31, 96, 97 and 98</p>	All types
<p>Part of the areas where people are instructed for evacuation or to be sheltered in place following the accident in the Fukushima Nuclear Power Plant (within 30km from the affected reactors).</p> <p>Part of the areas with postal codes beginning with the following two numbers: 96 and 97.</p>	All types


 **3FM**: Postal workers will strike on the Isle of Man. It's been revealed this lunchtime that the staff voted overwhelmingly in favour of industrial action.


 [Gizmodo](#): If you're tired of online entities playing fast and loose with the personal data of its users, you'll be happy to hear that the Obama administration will attempt to pass legislation providing those users with a Bill of Rights regarding privacy on the internet.


 [Statesman Journal](#): Marion County is taking a stand against junk mail — as well as the tons of waste and disposal costs that unwanted mail brings with it. The county has launched a mail preference service to allow consumers to stop catalogs, phone books, credit card applications and other unwanted mailers at the source. The service also serves as an economic mechanism that could save the county garbage-removal and landfill-waste costs. By joining forces with Catalog Choice, a California-based nonprofit, the county hopes to encourage residents to reduce what gets put in their mailbox.


 [San Francisco Chronicle](#): The familiar Yellow Pages delivered to your home each year represent a vital connection between local small businesses and prospective customers in San Francisco. The phone books give small businesses exposure and customers and residents access to information about local merchants. For some small businesses, the ability to advertise in the Yellow Pages can mean the difference between success and failure, especially in today's economy. That is why the proposed ordinance banning the unsolicited distribution of the Yellow Pages is a bad idea for San Francisco.


 [Interfax](#): The creation of a Postal-Bank is still on the agenda, Russian Deputy Prime Minister and Finance Minister Alexei Kudrin said at a banking conference in Moscow on Wednesday. "We, nonetheless, believe it necessary to create this bank," he said. Setting up postal infrastructure is necessary so that "a payment system is formed, especially for those regions where there aren't enough [financial] services," he said. Kudrin added that the state is ready to reduce its stake in the Postal Bank to below that of a control stake in the future. "The state stake will go below 50% plus one share after three years," he said. Kudrin added that the government is ready to reduce its stake in state banks. The three-year privatization program fixes the state packet at 50% plus one share. After this period, the state stakes will be further reduced, he said.


 [PR-Inside](#): Postal Services in Australia - Industry Risk Rating Report - a new market research report on [companiesandmarkets.com](http://companiesandmarkets.com) This is the first Postal Services in Australia Industry Risk Ratings Report. This Industry Risk Ratings report evaluates the inherent risks associated with the Postal Services in Australia industry. Industry Risk is assumed to be 'the difficulty, or otherwise, of the business operating environment'. The report looks at the operational risk associated with this industry.


 [Staebroek News](#): The Guyana Post Office Corporation is alerting the public that there have been delays in mail coming from Canada since these have been routed through Jamaica. The Postal Administration in Canada has written advising the Guyana Post Office Corporation that it has been routing mail and packages through Jamaica since December 2010 as a consequence of measures put in place by the United States Transportation and Safety Administration (TSA). According to a statement from the GPOC, the Canadian Administration has noted that there have been delays in the further conveyance of mail from Jamaica to Guyana.


 [Post & Parcel](#): The Indian government has launched a new consumer-facing "e-Post Office" website, to help make postal services more inclusive and accessible. The site takes the form of a slimmed-down re-design of the India Post website, initially offering services including provision of money orders, stamp sales for collectors, express and international shipment tracking as well as an information and feedback facility. But, the intention is for the first phase of the site to be expanded to provide a wider range of services for consumers.


 [Budapest Business Journal](#): State-run postal company Magyar Posta signed a contract to buy HUF 1.8 billion worth of software from JET-SOL after announcing the company winner of a restricted tender for the delivery of integrated postal network systems.


 [MarketingWeek](#): Royal Mail is planning a payment-by-results price offer as one of several measures aimed at ensuring direct mail stays competitive with other media channels in the wake of recent price hikes.


 [Marketwire](#): Although digital communications have increased, physical mail volumes remain high. Royal Mail alone processes nearly 70 million letters a day and over 1.2 billion parcels are sent each year, helped by the trend for consumers shopping from home. Some recent research by Royal Mail underlines the importance of physical mail to small and medium businesses.

 [MoreRFID](#): Detailed ten year forecasts are given plus a full explanation of the technologies. In detail, there are 40 new case studies of RFID in action in the postal and courier service in North America, Europe, the Middle East and East Asia. The major breakthroughs that will provide future success are discussed. Postal services ignoring this accelerating change will become uncompetitive and suppliers missing out will regret it.


 [Washington Post](#): "Court faults USPS in firing of decorated Afghan war veteran."


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


 With a turnover of 21.84bn euros (+8.7%) Poste Italiane became Europe's second largest postal company in 2010 - surpassing French La Poste.


 A strong performance in the parcel business caused Austrian Post's profit to soar.


 Deutsche Post recorded soaring profits on an increasing turnover in 2010.


 French La Poste's revenue rose by 2% to 20.94bn euros in 2010 while letter volume fell by 3.5%.


 The Czech Government suspended the search for a new CEO for Ceska Posta. According to unanimous media reports the ministry of the interior plans to put the conversion of the state owned postal agency to vote first.


 Postal customers in Denmark and Sweden will be able to pay the postage via SMS in the future.


 Deutsche Post rejected allegations of anti-competitive discounts schemes at two of its subsidiaries as 'unfounded'.


 After five month of fruitless negotiations with Canada Post the Canadian Union of Postal Workers now rallies its members for a strike vote.


 From April on residents of the artificial island 'Palm Jumeirah' will be the first citizens in Dubai to benefit from a totally new service: They can have their mail delivered to their doorstep.


 DHL Express, the number two in cross border parcel shipments in Switzerland, plans to significantly reduce customs dues for consignments.


 Staff of Finnish Itella reacted with unofficial strikes to the passing of the new postal law last Wednesday.


 Crisis ridden Latvijas Pasts plunged considerably deeper into the red in 2010.

 This summer tenants with a new residential address will receive special mail from Swiss Post. From March until June 'advertisements OK' stickers for the addressee's mailbox are added to the so called 'move and home sets'. Swiss Post wants to encourage customers to stick these labels over existing 'no junk mail' stickers.


 U.S. Postal Service and the largest postal union in the USA, APWU, finally reached a new collective labour agreement after months-long negotiations (CEPNews 47/10). On Monday this week it was announced that the contract, running until May 2015, provides the some 210.000 employees with a 3.5% pay increase. In return the union agreed to a reduction of the postal worker's health premiums from currently 79% to 76% by 2016.

 Patrick R. Donahoe, the U.S. Postal Service's new postmaster general, gets down to business with the announced austerity measures (CEP-News 02/11). Last week he said in an interview that he will announce an USPS redesign at the end of March, which would include cutting 7,500 jobs, primarily in the administration and management. Donahoe also plans not to restaff 22,500 vacancies, which come through attrition.

 Singapore Post Limited increased its stake in Malaysian GD Express Carrier Berhad.


 'We had diverging views on the future strategic focus of the company'. Last Thursday Deutsche Post CEO Frank Appel spoke frankly about the dismissal of Hermann Ude, board member for DHL Global Forwarding, Freight. He further said that both sides mutually agreed on

Ude's early termination of his board membership.

 Arto Hiltunen is the new chairman of Finnish Itella's board of directors.



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.)*

 [TheNews.pl](#): Over two thousand postal workers are expected to march through the streets of Warsaw, Wednesday, to protest against plans by Poczta Polska to shut down over 1,100 post offices, resulting in the loss of almost 5,000 jobs. Protestors are also campaigning against Poczta Polska's plans to change some post offices into agencies, which would be found in small shops or petrol stations.



*From the Federal Register:*


#### **Postal Service**


#### **RULES**

Domestic Shipping Services Product Launch of Parcel Select Regional Ground ,  
14284-14289 [2011-6057]

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

**March 15, 2011**

 [Post & Parcel](#): Canada Post employees could stage walkouts from next month, after five months of talks with the Canadian Union of Postal Workers have failed to secure a new collective bargaining agreement.


 [National Center for Policy Analysis](#): Although the U.S. Postal Service (USPS) is often mistaken for a government-owned corporation such as Amtrack, it is an independent branch of the federal government. It is controlled by a board of governors and a postmaster general, and it is regulated by the Postal Regulatory Commission. The USPS is currently at a tipping point due to the combined effects of a large recent decline in volume and revenue that is projected to extend into the future, as well as increases in operating costs, according to Robert Carbaugh, a professor of economics, and Thomas Tenerelli, an assistant professor of economics, at Central Washington University. Although the USPS has enacted an array of revenue-generating and cost-cutting activities, these measures likely are not sufficient to eliminate the gap between revenue and costs. Given the state of technology, privatization probably is the only long-term solution for the USPS. Simply put, the governance structure of the USPS is flawed, and its ability to realize commercial success is very limited. Looking forward, there are several keys to successful liberalization of the USPS. <http://www.cato.org/pubs/journal/cj31n1/cj31n1-9.pdf>




*At the Postal Regulatory Commission:*


- [CP2011-63](#). The United States Postal Service hereby gives notice of changes in rates of general applicability and of concomitant classification changes for a competitive product – specifically, Priority Mail. The instant price and classification changes enable “Forever” postage on Priority Mail Flat Rate packaging
- [MC2011-19](#) and [R2011-3](#). The Postal Regulatory Commission has approved the Discover NSA. "The Commission today issued Order 694 approving Discover Financial Services 1 as a new market dominant postal product. “I am pleased to see that the Postal Service has used the flexibilities of the PAEA to create

its first negotiated service agreement for a market dominant product. We hope the agreement will prove successful and that the Postal Service will develop many more," said Chairman Ruth Y. Goldway. This is the first NSA (Negotiated Service Agreement) for a domestic market-dominant product requested by the Postal Service since passage of the PAEA."


 The Postal Service has reported that Global Express Guaranteed (GXG) service is suspended to the locations listed below. GXG is provided by the USPS through an alliance with FedEx Express. The service is still available to other locations in Japan. Please note that it is ONLY GXG service to these locations that is suspended. Other USPS services to Japan (Express Mail International (EMI), Priority Mail International (PMI), First Class Mail International (FCMI), International Priority Airmail (IPA), International Surface Air Lift (ISAL), Global Bulk Economy (GBE) are still available.

 **Post & Parcel:** The UK government has insisted that any sale of Royal Mail will leave the country's universal service obligation intact – and protected by law. The assurance came from Baroness Wilcox, the government's junior business minister in the House of Lords, as the upper House debated legislation seeking to privatise the national postal operator.


 **Times of India:** Postal department is coming up with Core Banking Solution (CBS) at 20 post offices located in different parts of the state. These post offices will be inter-connected by April-end.


 **Post & Parcel:** Finland's Itella Posti has said its digital postal mail service, NetPosti, now has more than 300,000 users. The service took six years to reach its first 100,000 users, but Itella said yesterday that the service has grown rapidly in recent years with more consumers and companies now handling their business electronically.


 **North Fort Myers Neighbor:** New Regional Flat Rate Priority Mail Boxes are an even bigger bargain.

 **Courier, Express, and Postal Observer:** One of the problems the Postal Service will have in selling the contract with the American Postal Workers Union is the number of new members of Congress with limited understanding regarding the impact of differences in labor law between the law covering the Postal Service and either the National Labor Relations Act or the Railway Labor Act. In addition many members of Congress will find it difficult to understand why the Postal Service did not take the approach that Wisconsin Governor Walker took with public employees, or President Reagan took with air traffic controllers.

 **DMM Advisory: FAST Facility Contact List on RIBBS.** A new Facility Access and Shipment Tracking (FAST<sup>®</sup>) [contact list](#) — a list of Postal Service<sup>™</sup> facilities that mailers can use to make an appointment to drop their mail if extended FAST connectivity issues occur — is now available on [RIBBS<sup>®</sup>](#). Customers should contact the FAST Help Desk ([FAST@usps.gov](mailto:FAST@usps.gov) or 1-877-569-6614) for all FAST-related issues or questions. Users will continue to receive email notification if FAST is experiencing system performance issues.

 **Estonian Public Broadcasting:** The Competition Authority mandated that national postal service Eesti Post lower its prices to Express Post. Eesti Post owns the country's only nationwide postal network, a service that Express Post has wanted to subcontract since 2009. However, the state regulator found that the price offers made by Eesti Post are unfairly discriminatory of Express Post compared to other companies that use the service. Delivering the mail of Express Post, the Competition Authority said, would not require any more work than with other companies. Payments should be even cheaper if the deal provides that Express Post is in charge of sorting the mail, the agency added.


 **Wall Street Journal:** United Parcel Service Inc. Chief Executive Scott Davis was paid \$10.7 million in total compensation last year, 72% more than the \$6.2 million he received in 2009. UPS met its own performance standards and the company's stock price rose nearly 30%, according to the company's proxy statement.


 **At the Postal Regulatory Commission:** You can find archived audiocasts of Public Meetings of the




Postal Regulatory Commission posted here:


<http://www.prc.gov/prc-pages/library/archived-audiocasts/default.aspx>


 **Hellmail**: French postal operator La Poste announced last week that whilst a decline in volume had slowed last year, the decrease was around 3.5%. Turnover grew by 4% compared to 2009 with 938 million euros in sales (+2.6% at constant exchange rates).


 **Wall Street Journal**: Austrian postal service provider Oesterreichische Post AG (POST.VI), or Austrian Post, Tuesday reported that its 2010 net profit rose 49% on the year, more than analysts had expected, helped by cost cutting and stronger parcels business. For 2011, it expects sales to rise slightly and the profitability to be kept intact.


 Oral Arguments are today in the Exigency Case, in the United States Court of Appeals for the District of Columbia Circuit. Tuesday, March 15, 2011 9:30 A.M. USCA Courtroom - Judges Henderson, Tatel, Brown 10-1343 USPS v. PRC 15 minutes per side.


### **March 14, 2011**

 **AFL-CIO Blog**: While governors and state lawmakers across the country are attacking the right of public employees to bargain, the Postal Workers (APWU) and the U. S. Postal Service (USPS) today showed that public employees and government can work together to solve financial problems and provide good service.


 **Washington Post**: The APWU-USPS agreement **prohibits layoffs** of career employees who were hired before the current contract expired last November, but it leaves the door open to layoffs of newer workers. **Some work outsourced or assigned to managerial personnel in recent years will be reassigned to APWU members**, the union said. And in a key concession for workers, the Postal Service will have to limit its use of "excessing" - the reassignment of postal workers from one city to another. According to the new deal, **postal workers may be reassigned only to a location no further than 40 to 50 miles from their current assignment**. That restriction should make the potential burden of reassignments easier, Guffey said, adding that some workers had to uproot families and relocate in order to keep their jobs. **By 2016, the Postal Service will contribute 76 percent of a postal worker's health premiums, down from 79 percent currently. Most federal agencies cover about 72 percent of employee health premiums.** [EdNote: Don't hold your breath waiting for applause from the Republican House. This contract probably will be replicated across the other three unions. With an outcome like this, Congress (or at least the House) is highly unlikely to be particularly sympathetic to the Postal Service's laments about CSRS and pre-funding.]

 **The Hindu Business Line**: Global IT giant HP is fighting it out with domestic IT services companies such as Infosys Technologies, Tata Consultancy Services and Wipro for a Department of Post contract. The contract, which involves implementation of financial services solution, is one of the eight projects that the department is outsourcing as part of its IT modernisation initiative.


 **Digital Journal**: After five months of negotiations with Canada Post, members of the Canadian Union of Postal Workers urban operations bargaining unit will be voting on the possibility of a strike. The union asked for conciliation in January, citing an impasse at the bargaining table that shows no sign of abating.

 **Federal Times**: More than 200,000 postal workers would receive wage increases totaling 3.5 percent between now and 2015 under a tentative contract agreed to by the U.S. Postal Service and the American Postal Workers Union. APWU said the first across-the-board pay increase of 1 percent would take effect in November 2012 if the contract is approved. A 1.5 percent increase would take effect one year later, and a final 1 percent increase would be enacted in November 2014. APWU members' cost-of-living adjustment would be waived in 2011, and the March and September 2012 COLAs will be deferred until 2013. COLAs are based on increases in the Consumer Price Index and are usually handed out every six months. If ratified, the contract will run through May 20, 2015. "This is a responsible agreement that is in the best interest of our employees, our customers and the future of the Postal Service," Postmaster General Patrick Donahoe said in a statement. "The contract will help lay a foundation that is

fair to our employees and stakeholders." APWU President Cliff Guffey called the agreement — which protects career employees who were on the rolls as of last Nov. 20 from layoffs — a "win-win proposition."

 [Institute for Research on the Economics of Taxation](#): "Does The U.S. Owe \$75 Billion to the Postal Postal Service?" This paper reviews the history of the allocation question, including relevant legislation, and presents the conflicting positions. The paper then examines the subjective concept of fairness and finds strengths and weaknesses on both sides. The costs of the existing allocation methodology have been passed forward to mail users in postage rates. The allocation methodology is not the cause of the Service's current, worrisome financial problems. The proposed transfer's retroactivity would be unusual and raises fairness and budget concerns.

 [American Postal Workers Union](#): *The American Postal Workers Union and the U.S. Postal Service have reached a tentative agreement on a new contract, union President Cliff Guffey announced today.* See also the [Washington Post](#).

 **DMM Advisory: New Strapping Option for Bundle Preparation.** Current DMM<sup>®</sup> standards require mailers to use "clear smooth strapping tightly secured around the bundle" as a way of ensuring that address and presort information on bundles is visible and readable by the naked eye. Recent testing shows that a new strapping with a transparency rating of at least 52 percent when tested using ASTM D1746 – 09, *Standard Test Method for Transparency of Plastic Sheeting*, methods meets all Postal Service<sup>™</sup> readability requirements. Mailers may begin using this type of strapping immediately — it is more environmentally friendly and provides cost savings to mailers, while continuing to secure bundles in a way that helps the Postal Service process the mail efficiently. We are working on revising the mailing standards for strapping and will use the DMM Advisory to keep you informed.




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

**Fundamental Questions for the Future of the Postal Service: How Would You Answer Them?** Our recently released white paper, "Fundamental Questions for the Future of the Postal Service," asks eight questions that we consider critical for determining the role of the Postal Service in the 21<sup>st</sup> century. In this week's blog we want to know how you would answer these questions. [LINK](#) here to learn more give your comments.

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

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

- [FY 2011 Sarbanes-Oxley Work Mandated by PAEA – 11BM001FT000](#). The Sarbanes-Oxley Act of 2002, also known as "SOX", aims to improve corporate governance and enhance the accuracy of financial reporting. Under SOX, corporate leaders are responsible for establishing, evaluating, and monitoring the effectiveness of internal controls over financial reporting. For this nationwide annual audit, the OIG is evaluating whether the Postal Service is complying with SOX. OIG will coordinate with the Postal Service and the independent public auditor to independently test and report on the effectiveness of Postal Service's controls over financial reporting.


 **Post & Parcel:** Finland's Itella has apologized for disruption in its services yesterday caused by a series of strikes by staff protesting new postal legislation.


 **From USPS Global Business:** The designated postal operator of Japan asks us to inform the designated


operators of other UPU member countries that, since Saturday, 12 March 2011, the northern areas of Japan, including the cities of Sapporo and Sendai, have been suffering the after-effects of the massive earthquake that struck the country. Given the very difficult circumstances, with diverted flights and major disruption to domestic traffic, Japan Post Service is declaring a force majeure situation. All inbound and outbound mail flows in the areas listed below have been affected. The offices of exchange are still operational but will not be conveying mail from or to these areas until further notice. Japan Post Service will keep designated operators informed of the situation, and thanks them for their understanding and cooperation.


Affected areas	Mail types
<p><b>Hokkaido, Aomori, Akita, Iwate, Miyagi, Yamagata, Fukushima and Ibaraki</b></p> <p>Postal codes beginning with the following two numbers: 00, 01, 02, 03, 04, 05, 06, 07, 08, 09, 30, 31, 96, 97, 98 and 99</p>	<p>All types</p>


Please note that postal delays may be also expected in other areas owing to flight diversions and the difficult domestic traffic situation.

 [Courier, Express, and Postal Observer](#): FedEx has been offering a branded joint-line service with the Postal Service for some time now. United Parcel Service will likely soon market its joint line service under a new name "UPS Surepost" rather than previous unappealing name, "UPS Basic." The name UPS Surepost name was trademarked in 2010. The name does not appear on UPS's website but based on posts on Able Commerce Shopping Cart Software and Browncafe, it appears that UPS is test marketing the brand and the service. Information on UPS Surepost is also available on a web page dedicated to UPS Worldship software. . . . (more)


 [Wall Street Journal](#): The U.S. jobless rate will be 7.7% in November 2012, the highest level for a presidential election month since Jimmy Carter defeated Gerald Ford in 1976, according to the average forecast of economists in the latest Wall Street Journal survey.

 [Zawya](#): The land mark 'e-Mall' initiative of Saudi Post is among the highlights of PosTech 2011, the post and parcel sectors' dedicated technology event to be held in Dubai, March 14-16. Dr. Mohammad Bin Saleh Bin Taher Bentin, Saudi Post President and CEO, will present a paper titled "The Post as Sales Portal: Hosting a Virtual Shopping Mall" at the event, the world's first specialized conference on information and post technologies.

 [Hellmail](#): French postal operator La Poste announced last week that whilst a decline in volume had slowed last year, the decrease was around 3.5%. Turnover grew by 4% compared to 2009 with 938 million euros in sales (+2.6% at constant exchange rates).

 [Charleston Daily Mail](#): Rare is the occasion when all five members of the West Virginia congressional delegation - Sens. Jay Rockefeller and Joe Manchin, and Reps. Nick Joe Rahall, Shelley Moore Capito and David McKinley - will agree. But they agreed recently to complain about the U.S. Postal Service's consolidation of operations in West Virginia. They seem to think the state is being targeted for an unfair number of studies that lead to cutbacks.


*March 13, 2011*


 [Saginaw News](#): U.S. Postal Service officials will move Saginaw mail processing jobs to Pontiac, a spokesperson said. Officials last year completed a feasibility study, citing the dwindling amount of mail as a reason to consolidate services.


*March 12, 2011*


 [From the Federal Register: Postal Service PROPOSED RULES](#) New Origin Entry Separation and


Containerization Standards , 13704–13767 [2011–5273] [\[TEXT\]](#) [\[PDF\]](#)

 **Hellmail:** Russian Post has begun offering the Western Union money transfer service in Russian post offices. 1500 partner organisations including online shops and bookmakers currently accept Western Union payments.

 **WJRT:** The United States Postal Service has officially announced it will move part of its processing operations from Saginaw to Pontiac. The Saginaw processing plant operation will move to a newer, more high-tech facility in Pontiac called the MetroPlex. The news comes as no surprise, but some in the community say it's disappointing and disheartening.


 **Daily Times:** Federal Minister for Postal Services Sardar Umar Gorgage Friday categorically said there is no privatisation plan of Pakistan Post. Talking to the postal union office bearers, he stressed on the employees to further improve their performance in order to enhance the credibility of postal services. The union office bearers thanked the minister for providing support in the solution of employees and called off the announced strike.

 **Postalnews Blog:** The APWU local in Oakland California has started a campaign to encourage President Obama to name another Democrat to the Postal Regulatory Commission. The PRC currently has three Republican and two Democratic members. Two of the Republicans' terms have expired, however, so Obama could replace one of them with a Democrat- by law, the Commission can only have three commissioners from the same political party

 **Courier, Express, and Postal Observer:** Over the past several days, there has been some debate about what the 30,000 reduction in Postal Service employees really mean. Both postalnews.com and the Washington Post have reported that 30,000 represents a combination of regular attrition and the reduction in 7,500 management positions that will be announced on March 25. The March 25th announcement will just start the process of eliminating positions, so it is likely that the Postal Service will not see the full impact of the announcement until the end of June. So the cuts in positions will cut the payroll for only three months this fiscal year. The savings, using the same assumptions will be \$306 million.

 *At the Postal Regulatory Commission:*

- **CP2011-61** Order No. 693 - Order Approving an Additional International Business Reply Service Competitive Contract 3 Negotiated Service Agreement <http://www.prc.gov/docs/72/72238/Order693.doc>  
<http://www.prc.gov/docs/72/72238/Order693.pdf>

 **Federal Times:** Apparently, there is much spin going on in the wake of our story on Wednesday that the Postal Service is cutting its workforce by 30,000 positions this year. The Washington Post's Ed O'Keefe said he was told by postal officials that this is not correct. Let's be clear: There was nothing incorrect about our coverage and I stand by it. Not only that, you can see for yourself exactly what was said. Federal Times reported this story directly from an editorial board meeting we held with Postmaster General Patrick Donahoe on March 9. Donahoe said his goal is to downsize the Postal Service by 30,000 people this year, mostly through attrition. He added that if further reductions-in-force or buyouts are required to reach that number, the Postal Service will use them.



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

- The USPS earlier this week published on its Postal Explorer web site (<http://pe.usps.com>) an advance copy of its proposed rule to be published in the Federal Register outlining changes in mail preparation requirements for mail entered at origin, either as an entire mailing or as the residual volume for Plant Verified Drop Shipment (PVDS) mailings. The USPS proposes required and optional preparation levels for Periodicals, Standard Mail and Package Services, as well as palletization requirements and several non-related mail preparation changes. Comments on the USPS' proposed rule are due 30 days from when it is published in the Federal Register.


- Senator Susan Collins, R-Maine, urged a women's leadership gathering to use its extensive knowledge of postal issues and its vast supply of energy to push for reform of the Postal Service, a vital part of the nation's communications infrastructure and the linchpin of a \$1 trillion mailing industry.
- Postal Service to cut 7,500 positions this month, 30,000 by end of year. Four key drivers for magazines. Delivering trust, delivery protection. USPS' #2 must have political, media savvy. Postal Service faces shortfalls. Durbin, Kirk, Manzullo express concern over post office consolidation. USPS overtime on the rise. Do-not-track bill is 'awful.' Another stumbling block to self-sufficiency. Conversion rates strongest over two-year period. US Congress grills TSA on air cargo screening process. US cities take aim at junk mail. Delegation shows concern over USPS. Media usage trends 2011. Despite reports, USPS not cutting 30,000 jobs. MTAC introduces new workgroup.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews


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**March 11, 2011**

 **Financial Times:** Please respect FT.com's ts&cs and copyright policy which allow you to: share links; copy content for personal use; & redistribute limited extracts. Deutsche Post expects operating profit to rise by as much as a 10th this year as solid growth of its international logistics unit DHL makes up for the loss of business in the German postal market, where it no longer holds a monopoly.

 **BBC:** People stuck for a stamp in Denmark will soon be able to send a text message to pay the postage on a letter. From 1 April, the Danish post office is introducing The Mobile Postage service that does away with stamps for standard sized letters. Instead, people will send a text to the post office and get back a code they write on the envelope. Sweden's post office said it was also considering introducing the service and is planning trials.

 **Board of Governors Meeting.** Tuesday, March 22, 2011, at 10 a.m. Washington, DC at U.S. Postal Service Headquarters, 475 L'Enfant Plaza, SW.  
 STATUS: Closed. Matters To Be Considered Tuesday, March 22, at 10 a.m. (Closed) 1. Strategic Issues. 2. Financial Matters. 3. Pricing. 4. Personnel Matters and Compensation Issues. 5. Governors' Executive Session-- Discussion of prior agenda items and Board Governance.

 **Federal News Radio:** The U.S. Postal Service could reduce its workforce by up to 30,000 employees this year. Up to 7,500 of those positions would be eliminated as part of a redesign that USPS will announce March 25, said agency spokeswoman Joanne Veto in an email. The other 22,500 could come through attrition. Veto said historically about that many have left through normal reductions each year for the past six years. On today's Your Turn with Mike Causey, Federal Times editor Steve Watkins discussed these changes and others expected over the coming months.

**Your Turn with Mike Causey**


 [Download mp3](#)





## Federal Times' Steve Watkins on USPS reductions




[Download mp3](#)

 [Columbo Page](#): Sri Lanka Postal and Telecommunication Services Union says that the postal workers of the country will launch a protest campaign tomorrow. The secretary of the union Chinthaka Bandara stated that the demand of the postal employees is to systematize the management of the Postal Department.

 [Postalnews Blog](#): The new Chairman of the House Subcommittee on Federal Workforce, U.S. Postal Service and Labor Policy, Congressman Dennis A. Ross, R of Florida's 12th District has been posting tweets of the internet of late with his own opinions of collective bargaining in the public sector. Chairman Ross posted comments like; "There is no Constitutional basis for collective bargaining rights or unionization". In another post Ross added; "Private sector unions were needed in the 20's and the 30's. They are even helpful in some ways today. Public sector Unions must go". With comments like this from the chairperson of the committee that will be overseeing the future of the Postal Service, every member of a management association or a postal union should be very concerned that the collective bargaining rights that the unions now enjoy and the consultative rights that we have under Title 39 could be abridged or even eliminated under the new leadership of this House committee.


 [Outsourcery](#): Microsoft SharePoint 2010 has been installed by the Royal Mail to help it reduce outgoings and improve its IT infrastructure. The move is part of a "rapid modernisation" of postal services to help fend off increased competition and the threat of privatisation. Furthermore, the company now has a scalable solution to help it pay for what it uses, while having Microsoft SharePoint 2010 hosted off-site.

 [Macleans](#): The Canadian Broadcasting Corp. and Canada Post have received worse than a failing grade by Canada's information watchdog. Federal Information Commissioner Suzanne Legault gave both organizations a "red alert" for their poor performance in processing access-to-information requests. The postal delivery service refuses requests 73.5 per cent of the time, with some of the longest delays ever recorded, said Legault. They took an average of 190 days to complete a single request.

## Mailers' Technical Advisory Committee (MTAC)


The Mailers Technical Advisory Committee has formed a workgroup on "[Start-the-Clock for all Commercial Parcels](#)."

*March 10, 2011*


 ***DMM Advisory: Mailer ID System Maintenance Tomorrow. The Mailer ID System will be unavailable during a one hour maintenance window this Friday*** — On March 11, 2011, the Postal Service will be applying a system patch between 3 p.m. CT and 4 p.m. CT. The Mailer ID System will be unavailable during this time.


 *At the Postal Regulatory Commission:*


- **MT2011-2** Comments of the Food Marketing Institute on Market Test of Experimental Product: Gift Cards <http://www.prc.gov/docs/72/72230/FMI MT2011-2 031011.pdf>


 [Washington Post](#): Some misleading news reports published Wednesday suggested the U.S. Postal Service is slashing 30,000 positions by the end of September. Not so, according to postal officials. Postmaster General Patrick R. Donahoe will formally unveil plans to cut 7,500 jobs by the end of the month -- reductions expected to focus primarily on administrative positions and postmasters. In an interview earlier this week, Donahoe suggested USPS would likely see the departure of about 30,000 total employees this year, because 22,500 of them retire or leave the agency on average each year. (So do the math: 7,500 expected job cuts plus 22,500 retirements/departures equals


30,000 total departures.) In turn, two trade publications (that The Eye reads regularly and admires) incorrectly characterized Donahoe's statements as meaning that he was ordering the elimination of 30,000 jobs.

 **Target Marketing:** Media Usage Forecast 2011. There are some new trends—social media may be this year's email, SEO has only gotten hotter—but the overall balance of direct print to digital seems to be stabilizing. The eclectic mix of multichannel direct marketing reported here appears to be more than a response to the recession. It looks like marketing's new normal. Direct mail and DR space ads see the highest percentage of companies reducing spend (12.7 percent and 10.7 percent, respectively), but more companies plan to increase spending on those channels than decrease. So while print has been squeezed, as we reported in the 2010 Media Usage Forecast, it still appears to be a top-performer for companies using it. Open responses indicated that companies decreasing direct mail spend were doing so due to costs, not results. And direct mail ranks very highly as the medium with the highest ROI.


 **Post & Parcel:** US lawmakers have called on the country's Transport Security Administration to do more to prioritise the screening of high-risk air cargo, rather than treating all air cargo equally. Congressman Mike Rogers said today that screening all air cargo in the same way “distracts us from the real threats” while also disrupting trade.


 **Direct Marketing Association:** “Although volumes hit record highs for the season, response rates remained quite stable, again proving that email marketing is an effective tool to reach people while they are in the market for a particular product or service,” according to Kevin Mabley, senior vice president of strategic & analytic consulting at Epsilon. “Email marketing drives consumer behavior, builds brands and increases revenue. We recommend that email marketers track behaviors and analyze campaigns in order to continue to improve performance and create deeper connections with consumers.”


 *Wanna see a post that's trying out new waves to remain relevant in the 21st century? Check out the [annual report from Deutsche Post](#).*


 Haven't had enough postal yet? If you still have an appetite for more, consider these events:


- **Advanced Workshop on Regulation & Competition** “Viable Modern Postal System?” April 1, 2011. K&L Gates LLP. Washington, DC.  
<http://crr.rutgers.edu/Viable%20Modern%20Postal%20System%20Agenda.doc>
- **30th Annual Eastern Conference**. May 18-20, 2011. Skytop Lodge Skytop, PA  
<http://crr.rutgers.edu/EC11%20Program.pdf>
- **19th Conference on Postal and Delivery Economics**. June 1-4, 2011. Radisson Blu Waterfront Hotel. St. Helier, Jersey  
<http://crr.rutgers.edu/PC11%20Brochure.pdf>
- **24th Annual Western Conference**. June 15-17, 2011. Portola Hotel & Spa. Monterey, CA  
<http://crr.rutgers.edu/WC11BrochureAbstracts.pdf>


 **RTT News:** German postal and logistics firm Deutsche Post DHL on Thursday reported a profit for the fourth quarter, compared to a loss last year, helped by lower items and higher revenues. Further, the company hiked its dividend over 8 percent.


 **Helsinki Times:** A group of postal workers from the Vantaa logistics centre staged walkouts on Wednesday to protest against the Finnish Parliament's decision earlier the same day to approve the new post law. Just moments earlier, the Post and Logistics Union (PAU) had announced that it is not to enter a labour dispute despite the new legislation.


 **The Baltic Course:** The state-owned postal company Latvijas Pasts concluded 2010 with LVL 600,000 in losses, which is four times as much as in 2009 when the company's losses totaled LVL 159,282.


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


 Spain's competition authority CNC (Comisión Nacional de la Competencia) initiated administrative inquiries against Correos concerning alleged price dumping.


 Austrian Post's supervisory board will decide about the replacement of two executive board positions next Monday


 Japan Post Service Co. will close the current business year 2010/2011 with an operating loss of around 870m euros.


 A hefty dispute has arisen in Finland between the government and the postal union PAU (Post and Logistics Union). The controversy was sparked by the redraft of the postal services bill which says that First Class Mail won't be part of the universal services any more. The union claims that communications minister Linden has betrayed her promises.


 After the completion of the test phase French La Poste announced on Thursday the launch of its digital mail service Digiposte.


 Deutsche Post presented two new digital projects on the CeBIT computer fair. On Thursday the company launched the 'nonprofit association for secure and confidential communication through the internet'. At the same time Deutsche Post announced the start of its web portal »DieRedaktion« ('the editorial office'). Freelance journalists can upload their articles on this portal and sell them to publishing houses or companies.


 China Post will start to equip all of its branches with displays this year. In addition to regular postal services, seasonal groceries, gift articles, nutritional supplements, tickets, phonecards etc. are to be sold via the displays.

 From next year on pensions and benefits in the UK won't be disbursed in post offices any more. The government awarded the contract for the so called Post Office Card Accounts to the private run company PayPoint.

 Deutsche Post acquired two high-profile customers for its E-Postbrief.


 Claude Bégli, former chairman of Swiss Post's administrative board, wants to become a member of the National Council. In the course of the upcoming elections in autumn he will run for a seat in the larger chamber of Switzerland's parliament as a candidate of the Christian Democratic People's Party (CVP).

 Deutsche Post's E-Postbrief has achieved the certification as prescribed by the new De-Mail law.


 Swiss Post International has started a co-operation with Irish Nightline. According to the announcement the goal is to provide a faster, cost-effective and more customer- focussed international mail service to Irish business clients. Nightline will become a so-called 'Preferred Partner' of Swiss Post International.




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.)*


 [Transport Intelligence](#): Figures published in Global Express Parcels 2011, the latest report from Ti, reveal that the market for express parcels grew by nearly 7% in 2010 to reach €141,555m. The level of growth went some way towards correcting the significant fall in value the year before (10.6%) although the market is still considerably below the peak in 2008. Although the market as a whole rebounded strongly, performance from market to market was very patchy. Overall the international express parcels sector performed better than its domestic counterpart, showing strong growth throughout all regions as international trade rebounded on the back of inventory re-stocking. The trend was consolidated by a hardening of rates and the migration of shippers to higher value products, although there is still a great deal of caution.


 [From the Federal Register: Postal Regulatory Commission NOTICES](#) Change in Postal Prices , 13242-13243 [2011-5409] [\[TEXT\]](#) [\[PDF\]](#)


 [Homeland Security Today](#): TSA Launches Air Cargo Security Initiatives


 [PC World](#): A bill that would direct the U.S. Federal Trade Commission to create a mechanism to allow consumers to opt out of online tracking efforts tops a list of proposals that would be bad for the Internet, according to e-commerce trade group NetChoice. Representative Jackie Speier's bill, introduced in February, would hurt both businesses and consumers, said Steve DelBianco, executive director of NetChoice, whose members include AOL, Yahoo and eBay. The Do Not Track Me Online Act and four other bills on NetChoice's latest iAWFUL (Internet Advocates' Watchlist for Ugly Laws) list "strike right at the heart" of the revenue model of online publishers and advertisers, DelBianco said.


*March 9, 2011*


 [Federal Times](#): The U.S. Postal Service will announce later this month a downsizing of approximately 7,500 supervisory, managerial and postmaster positions. Most of those positions are filled, but many are not, especially in the postmaster positions, because of past attrition, said Postmaster General Patrick Donahoe in a March 9 interview with Federal Times editors and reporters. The agency will use reductions-in-force (RIFs) and RIF avoidance measures in carrying out the downsizing, he said. The positions targeted, which will hit as many as 10 district offices and headquarters, include 3,500 administrative positions, 2,000 front-line supervisor and manager positions, and 2,000 postmasters. Donahoe said the announcement will be part of a broader effort to trim postal ranks by 30,000 positions this year.


 [Mailing Systems Technology](#): Senator Susan Collins, R-Maine, urged a women's leadership gathering to use its extensive knowledge of postal issues and its vast supply of energy to push for reform of the Postal Service, a vital part of the nation's communications infrastructure and the linchpin of a \$1 trillion mailing industry.


 [Federal News Radio](#): The Postal Service's goal is to cut 30,000 employees overall for the year, said Federal Times editor Steve Watkins, breaking the news on Your Turn with Mike Causey. USPS will also announce a drawdown of 7,500 positions on March 25 that include unoccupied positions, administrators, frontline supervisors and managers and postmasters, Watkins said. Federal Times found out about the plans after an editorial board meeting with Postmaster General Patrick Donahoe.


 [Courier, Express, and Postal Observer](#): In addition to declining volumes, the Postal Service now faces another stumbling block to self sufficiency, rising fuel prices. Increases in fuel prices used by the trucks, airplanes, cars, boats, and railroads that transport and deliver the mail have a nearly immediate impact on Postal Service operating costs.


 [Texas Press Association](#): If your newspaper has experienced problems or continues to experience problems related to the USPS implementation of SOX (Sarbanes-Oxley legislation), you can now submit your concerns or register your complaints. You are encouraged to relate your personal experiences in dealing with your local post office and describe the negative impact of complying with recent changes in postal policies.


 [RedState](#): The Washington Monument Ploy is a tactic used by government bureaucrats that works like this: Imagine the city of Washington, DC is facing a budget crisis. So rather than throw freeloaders off the dole or cut the deadwood from the city bureaucracy, the city closes the highly-visible Washington Monument in a cost-cutting action. The people are so horrified that they immediately agree to big tax increases to keep the Monument open. The same thing now is happening with the United States Postal Service (USPS) which is planning to close as many as 2,000 local post offices in 2011 to plug an estimated 2010 budget deficit of \$8.5 billion that may grow larger this year. These closings are unnecessary and are very harmful to the small towns where most of them are going to happen. There are many other things that can be done to contain costs but USPS is operating like a typical bureaucracy, cutting essential or visible services instead... just like closing the Washington Monument.


 [PR-Inside](#): Stamps.com®, the leading provider of postage online : and shipping software : solutions to approximately 400,000 customers, today announced that it has introduced PC Postage Version 8.8 software which includes new features to help ecommerce sellers improve communication with their buyers. The software download is simple, quick and available for free to existing customers.


 [Passport Magazine](#): The Swedish postal service, Posten AB, is seriously considering replacing the traditional paper stamps with a new text message payment system. It's a rather simple concept (as long as you have a cellphone). Customers will send a text payment and will then receive a code that will then be written on the letter or parcel. This code will provide proof of payment. The system is expected to begin in the summer, and Denmark is also expecting to begin a similar program next month.


 [AFP](#): Five US cities launched initiatives Tuesday to let residents refuse junk mail, hoping to support the environment and cut expenses by stopping waste at its source. Americans receive some 100 billion pieces of advertising mail a year, according to the US Postal Service. Catalog Choice, a non-profit group, estimates that disposal costs at least \$1 billion annually. Catalog Choice, set up in 2007, allows people to go online to ask specific companies not to mail them. Chuck Teller, executive director of the group, said some one percent of the US population now chooses to opt out of some mail. Five communities including Chicago and Kansas City said they were teaming up with Catalog Choice to set up localized versions, which Teller hoped would give the initiative more authority and broaden involvement.

 [Emirates 24/7](#): Come April and Palm Jumeirah residents will be the first in Dubai to have their mail delivered to their doorstep. Emir Mail, a Dubai-based independent mail delivery company, will have 250 postal delivery staff in the first year to serve and deliver mails to various Dubai communities, with the number rising to 1,200 in the next two years, Rabia Ijaz, Marketing & Sales Manager, Emir Mail told Emirates 24/7. “The mail will be picked-up from Emirates Post offices and sorted at the Emir Mail Hub. We have a fleet of delivery vans and eco-friendly scooters to be used by the postmen,” Ijaz said. The company has already launched an ‘At Your Doorstep’ campaign from March, starting with flyer distribution around Palm Jumeirah, which will then extend across Dubai. Online registration is, however, open to everyone.


 [The Register-Herald](#): The five members of the West Virginia congressional delegation are concerned the United States Postal Services is solving budgetary gaps at the expense of West Virginians. In a letter initiated by U.S. Rep. Nick Rahall, D-W.Va., the delegation expressed concern about the proposed consolidation of mail processing operations in West Virginia. Studies to close Area Mail Processing facilities are ongoing in Bluefield and Martinsburg and completed in Wheeling, Beckley and Huntington. The letter was signed by Sens. Jay Rockefeller, D-W.Va., and Joe Manchin, D-W.Va., and Reps. Shelley Moore Capito, R-W.Va., and David McKinley, R-W.Va.


 [Bloomberg](#): The Czech government plans to turn Ceska Posta, the state postal service, into a joint-stock company, Hospodarske Noviny reported, citing Martin Riman, an adviser to Prime Minister Petr Necas. The government may discuss the issue next week at the earliest.

 [Federal News Radio](#): Lawmakers grilled President Obama's pick to be second in command at the Office of Management and Budget Tuesday about topics ranging from deficit reduction to information technology procurement to Postal Service pensions. But Heather Higginbottom, who worked for seven years as legislative director for Sen. John Kerry (D-Mass.) before becoming policy director for the Obama presidential campaign and then the White House's domestic policy council deputy director, would likely be approved as OMB's deputy director. The President nominated Higginbottom for OMB's second highest ranking slot in January.


 [Press Information Bureau of India](#): Shri Kapil Sibal, the Union Minister of Communications and Information Technology(C&IT) launched today “e-post office”, the e-Commerce portal of India Post. The portal will enable the customers to transact postal business any time and from anywhere using either debit card or credit card through the medium of internet. Speaking on the occasion Shri Sibal said that in the changing word, the ways we live are changing. Launch of e-Post is a step in this direction offering a bouquet of services to the consumers. This is inline with shift in marketing trend of service provider reaching the consumers.




 [New York Times](#): For nearly as long as there have been pen, parchment and wars, there has been military mail. Even in the Internet age, it remains a huge morale booster for troops. The mere possibility of some buried goodie in a box, or some special piece of news in a letter, still makes mail call a bit like Christmas, soldiers in the First Battalion, 87th Infantry in north Afghanistan say.


 [Postalnews Blog](#): APWU members demonstrated in front of the White House asking that the Administration return the billions of dollars the USPS has been overcharged for pension benefits. The demonstration was not endorsed by the union's national leadership


 [From the Federal Register: Postal Service NOTICES](#) Transfer of Commercial First-Class Mail Parcels to Competitive Product List , 13000 [2011-5272] [\[TEXT\]](#) [\[PDF\]](#)


 [Las Vegas Business Press](#): United Parcel Service has contracted with Clean Air Fuels Corp. to build a liquefied natural gas fueling station in Las Vegas to serve its new fleet of 48 road tractors that will use the alternative fuel.

*March 8, 2011*

 [Post & Parcel](#): Canada Post is facing a union challenge to its position that workers at postal retail counters run by third-party, franchise-based pharmacies are not federal employees of the Crown Corporation. hide Google Search Results You arrived here after searching for the following phrases: \* canada \* post \* news Click a phrase to jump to the first occurrence, or return to the search results. The Canadian Union of Postal Workers is currently seeking to recruit employees to its membership from more than 2,000 postal counters hosted by drug store chains including Shoppers Drug Mart, Pharmaprix, Familiprix and Uniprix. But it has denounced the postal operator for deploying a "small army of lawyers" to try to prevent the employees from joining the union.


 [IsleOfMan](#): The cost of a number of Post Office services will rise next month - but the organisation is not yet revealing how much extra customers will have to pay. It has said stamps will go up by two pence but businesses and the public will have to wait until March 28 to find out how much the price rises for services will affect them. A statement said: "With effect from April 4, changes to postage and ancillary services rates will be introduced.


 [Post & Parcel](#): Brazil's national postal operator Correios has increased its postal rates, as effective from the start of this month. 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. The increase in tariffs came 14 months after the previous rate rise in January 2010, with rates for individual letters rising 7.1%, from \$0.70 to \$0.75. Business letters have had tariffs increased by 4.8%, from \$1.05 to \$1.10. There has also been a 6% increase in international services including priority document shipments and economy document shipments.

 [Indianapolis Star](#): Kokomo officials today announced plans for a new \$5 million FedEx Ground distribution center about an hour's drive north of Indianapolis. The announcement comes as FedEx has reportedly been examining an expansion at Indianapolis International Airport.


 [At the Postal Regulatory Commission](#):


- [Docket No. RM2011-8](#): Order scheduling technical conference for March 17, 10 AM ET

 [DeadTree Edition](#): Recent widespread press reports and public outcry about supposed plans to close 3,000 post offices were a misunderstanding, U.S. Postal Service officials said today. The trouble started when USPS gave the Postal Regulatory Commission a list of about 3200 stations and branches that would be part of a study of which facilities to discontinue, the Postal Service said in a PRC filing today.

 [PostandParcel](#): The Canadian Union of Postal Workers is currently seeking to recruit employees to its membership from more than 2,000 postal counters hosted by drug store chains including Shoppers Drug Mart, Pharmaprix, Familiprix, and Uniprix. But it has denounced the postal operator for deploying a "small army of


lawyers" to try to prevent the employees from joining the union. The case is before the Canada Industrial Relations Board.


 [MediaPostNews](#): Rep Cliff Stearns (R-Fla.) said he intends to introduce privacy legislation that would empower the Federal Trade Commission to oversee a five-year self-regulatory program. In a speech on Friday at an event by the Technology Policy Institute, Stearns also said that consumers should have access to the information amassed about them online and be able to opt out of the data collection.


 [Bluefield Daily Telegraph](#): Five West Virginia lawmakers are expressing their concerns to the postmaster general over the proposed consolidation of mail processing operations in Southern West Virginia. U.S. Rep Nick Rahall, D-WVa, U.S. Rep Shelley Moore Capito, R-WVa, U.S. Rep David McKinley, R-WVa, U.S. Sen. Jay Rockefeller, D-WVa, and U.S. Sen. Joe Manchin, D-WVa, have all signed a letter expressing opposition to the postal consolidations, including the proposed closure of the Bluefield postal and distribution facility. The postal service has proposed five Area Mail Processing studies to consolidate mail processing operations in West Virginia, which Rahall calls an "unusually high number" for one state, according to Rahall.





[U.S. Postal Service](#) posts \$451 million loss for January.


 [KSN.com](#): Hundreds of Mulvane residents use the post office in the center of town to conduct their mailing business, but soon they may have to travel to a different location to handle that business. The U.S. Postal Service says it is in serious money trouble and could go broke by October. Mulvane is one of the locations the USPS is looking to consolidate. Operations would be moved to a smaller facility where stamps and packages would still be handled, but mail carriers would work out of the Derby Post Office.

 [FOLIO](#): Hearst Magazine's Loughlin called attention to four drivers vital for magazine companies to focus on: traditional direct marketing techniques; tablets and other technology; databases and data mining; and e-commerce. He also closed the debate on "print vs. digital," and for magazine publishing, "The only way it works is to embrace the possibility of 'and' signaling a digital and print co-existence, as opposed to the digital issue only vs. print issue only.


 [Postcrescent.com](#): There is still no formal decision on a proposal to close Oshkosh's mail processing facility and consolidate the operation in Green Bay. The consolidation of Oshkosh's facility with Green Bay's could save the postal service \$4.6 million annually and, following job transfers, result in a net loss of 54 jobs, USPS officials have said.


 [PCMAG.COM](#): At least one country is making postage stamps a relic of the past. The Swedish postal service is ditching stamps in favor of a text message payment system. After mobile users send a text, they will receive a reply that includes a code to be written on a piece of mail that will represent paid postage. It will work for packages weighing up to two kilograms.


 [The Republic](#): Postal operations at a Batesville mail processing operation will be moving to Jonesboro. The U.S. postal Service said Monday that it has been conducting a study to determine how it can save money during the economic downturn. Six positions are to be lost in Batesville.


 [ABC12](#): More than 100 jobs could be impacted if the United States Postal Service decides to consolidate and move mail processing operations out of Flint and over to Pontiac.


*March 7, 2011*

 [Post & Parcel](#): Indiana-based company Engineering Innovation has unveiled a new parcel-processing machine it says will help small-to-medium-sized organizations make the most of the US Postal Service Priority Mail service.

 [Flint Journal](#): The United States Postal Service is recommending moving mail processing operations from the Flint Processing and Distribution Center on East Boulevard Drive to a similar facility in Pontiac. Announced today, the recommendation is the result of a consolidation study launched in November. No final decisions will be made until input is gathered from a public hearing, according to the agency.

 [YLE](#): Communications Minister Suvi Linden believes the proposed new postal law will improve postal deliveries in the countryside. The law is to be debated in parliament tomorrow, and postal workers have demanded that it be stopped. The law mandates deliveries five days a week, but postal union PAU has demanded it also specify who will pay for them. Linden believes that in Sweden most operators coming to rural areas have been small, while obstacles to entry in the bigger cities remain high. A new agreement is needed with each apartment block owner, for instance.

 [PRNewswire](#): The U.S. Postal Service and the U.S. Postal Inspection Service are joining other federal, state and local government agencies and consumer protection organizations to kick off the 13th annual National Consumer Protection Week (NCPW), March 6-12. This year's theme — Your Information Destination: [ncpw.gov](http://ncpw.gov)! — highlights a wealth of tips and information from federal and state government and non-profit partner organizations on how consumers can protect their privacy, stay safe online, manage their money, avoid identity theft, understand mortgages and steer clear of frauds and scams.

 [Washington Post](#): Looking to lead a multibillion-dollar organization with more than 500,000 employees? Hoping to find a career allowing you to flex your political and media savvy? Are you good on TV and okay working for a money-losing company? Then the U.S. Postal Service may want to speak with you. The headhunting firm SpencerStuart is in hot pursuit of an incredibly experienced political and media pro to serve as deputy postmaster general alongside U.S. Postmaster Patrick R. Donahoe.




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


- Flying Full. What's the best way to ensure that containers transporting mail by air are full? [LINK](#) here to vote and give additional suggestions.


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


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


- [Bowling Green Consolidation – 11XG028EN000](#). The Postal Service conducted a study which proposed that Bowling Green, KY Processing and Distribution Facility originating mail be moved to the Nashville, TN Processing and Distribution Center and Evansville, IN Processing and Distribution Facility for processing. The study determined that such a consolidation could save \$3,082,212. Based on a congressional request, we are reviewing the proposal to consolidate mail processing operations from the Bowling Green facility into the Nashville and Evansville facilities. For this project, we will assess the business case and operational impacts of the consolidation. We would like to know what concerns stakeholders have about the proposed consolidation.


 [The New American](#): The more that government can be limited to protecting basic rights, the better for the taxpayer and the consumer. Even though the federal postal service is relatively "efficient" compared to other government work, government, by its very nature, can never be as efficient as the private sector. The Founding Fathers clearly envisioned a federal postal service, but they did not envision a Post Office monopoly.


 [The Local](#): The Swedish postal service plans to give customers' tongues a rest by allowing them to pay their postage via mobile phone text message instead of stamps. •Swedish bar lets patrons pay via mobile phone. A similar system is set for launch in Denmark on April 1st allowing users to send a text message, prompting a special code to be sent back. The code is then written down on the letter and serves as proof of the postage having been paid, the Sydsvenskan newspaper reports.

 [Financial Times](#): For an entity that is in the delivery business, speed in decision-making is not a strength of the department of post. From idea to implementation, the department has taken 16 years to computerise and connect all its 155,000 branches; it's taken 10 years to enter the business of managing the movement of goods for companies. Most recently, it's taken four years just to commission a feasibility study for its biggest transformation yet, becoming a bank.


 [Minnesota Public Radio](#): The U.S. Postal Service is losing hundreds of millions of dollars a year. It says it will be unable to pay its bills this year unless Congress lets it stop Saturday delivery. Today's Question: Do you need the U.S. Postal Service? [EdNote: Here's a question for you. Public radio costs taxpayers millions. There are commercial stations all over the radio dial. Do you really need Minnesota Public Radio?]


 [LiteBlue](#): On January 7, PMG Pat Donahoe announced the beginning of an organizational redesign that will help streamline the Postal Service. The announcement included a 16-percent reduction in the officer ranks of the Postal Service and the impending closure of the Southeast Area (Link, 1/21 and additional updates in Link, 2/4 and Link, 2/9). In the event of RIF and/or VER, all relevant information – including timelines and guidance - will be posted here on the Organizational Changes website as soon as details are finalized. Watch for internal communications such as LINK articles and stay tuned to this website for any and all HR-related updates. [Redesign FAQs](#).

 [Postalnews Blog](#): Though his acolyte Dennis Ross is careful to refer to an “alleged” bailout if the federal government returns any of the billions of dollars it overcharged the US Postal Service, self proclaimed “watchdog” Darrell Issa still insists it IS a bailout. Ironically, he didn't feel that way when he was getting contributions and endorsements from the NALC .


 [YLE](#): The board of the Finnish Post and Logistics Union PAU on Sunday decided not to begin any labour action before Parliament votes Tuesday on a bill that changes provisions of the law on postal services. The union has appealed to the Parliament to reject the bill and re-start the process of revising the legislation.

**March 6, 2011**


 [Senator Richard Durbin](#): In a letter to the Postmaster General, U.S. Senators Dick Durbin (D-IL) and Mark Kirk (R-IL) and U.S. Congressman Don Manzullo (R-IL) today expressed concern about the United States Postal Service's plan to conduct a study examining the possibility of moving operations performed at the Rockford Processing and Distribution Facility to the Postal Service's Carol Stream facility.

 [Sri Lanka Broadcasting Corporation](#): Post Master General M.K.B. Dissanayake says number of measures have been taken to carryout efficient postal service in the island. Although the revenue received by the sale of stamps has shown a slight decrease many other novel income generating methods have been implemented. At a press briefing held in the postal headquarters in Colombo yesterday Mr. Dissanayake said that four hour courier service and electronic money order system is popular among the public. People can send money via postal service to any part of the island within few minutes. Payment for electricity, water and telephone bills can also be made to post offices. The Postal Department expects to provide many other services of the government institutions through the postal service as well.

**March 5, 2011**

 [Dead Tree Edition](#): Many Postal Service employees report working longer hours recently, and the statistics back them up: Overtime hours have increased more than 11% this fiscal year versus the same period last year even though

the workforce is smaller. Part-time city carriers are also keeping busy, working nearly one hour of overtime for every six of straight time from October of last year through Feb. 26. Their overtime is up 8% this year even though their straight time hours are down 8%.

 **Courier, Express, and Postal Observer:** The February employment numbers showed a growing private sector economy in every sector except retail. Retail jobs dropped by 8,100. Retail jobs can grow only to the extent that sales at brick and mortar outlets are growing. The decline in retail jobs reflects the shift from brick-and-mortar to online retail sales.

 **Hellmail:**

- [New Ruling Strengthens Hand Of Unions In Strike Ballots](#)
- [Finnish Postal Workers Furious Over New Postal Bill](#)
- [Postal Detector Vans - Coming To Your Neighbourhood](#)
- [Post Office Workers Agree On Strikes](#)


 **WKTU:** Postal workers rally against closing of mail processing in Utica.

 **At the Postal Regulatory Commission:**

- ACR2010 Notice of the United States Postal Service of Filing of USPS-FY10-NP33  
<http://www.prc.gov/docs/72/72179/Notice.FY10.NP33.pdf>
- National Payroll Hours Summary Report, Pay Periods 02 through 05, FY 2011  
[http://www.prc.gov/docs/72/72176/Letter-Nat'l\\_Payroll\\_Hours-PP02-05-FY-2011.pdf](http://www.prc.gov/docs/72/72176/Letter-Nat'l_Payroll_Hours-PP02-05-FY-2011.pdf)  
<http://www.prc.gov/docs/72/72176/PP05%20FY2011.pdf>  
<http://www.prc.gov/docs/72/72176/PP02%20FY2011.pdf>  
<http://www.prc.gov/docs/72/72176/PP03%20FY2011.pdf>  
[http://www.prc.gov/docs/72/72176/PP04\\_FY2011.pdf](http://www.prc.gov/docs/72/72176/PP04_FY2011.pdf)

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

*March 4, 2011*

 **DMM Advisory: New Standards for Origin Entry Separation and Containerization Proposed.** Today, on the [Postal Explorer](#)<sup>®</sup> website, we posted an advance copy of the Origin Entry Separation and Containerization Standards [Federal Register](#) proposed rule. The new standards — designed in collaboration with mailing industry partners — will simplify mail preparation requirements for mail entered at origin, either as an entire mailing or residual volume for plant verified drop shipment (PVDS) mailings. These new standards also will result in improved efficiency and cost savings for mailers and the USPS<sup>®</sup>. We look forward to your comments.

**IMb<sup>™</sup> Services Update. Business Customer Gateway update** — As a reminder, the Business Customer Gateway (BCG) external application Release 1.8 will deploy this Sunday, March 6, 2011. New features include:

- A Program Registration application with Shipping Services and Incentive Programs added.
- Business Service Administrator (BSA) roles and service types enabled within the BCG sub-systems to increase security.



See detailed information in the [Business Customer Gateway External Users Release 1.8 Notes](#) posted on [RIBBS®](#).

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



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



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


- This week, the Office of Personnel Management’s (OPM) Office of Inspector General (OIG) released its own watchdog report, “A Study of the Risks and Consequences of the USPS’ Proposals to Change USPS’ Funding of Retiree Benefits, Shifting Costs from USPS Ratepayers to Taxpayers.” The study specifically addresses the Postal Service’s OIG reports that contain proposals which would reduce, modify, or eliminate the legally-mandated payments that the USPS currently makes into the OPM-administered trust funds.
- The US Postal Service’s Office of Inspector General responds to the Office of Personnel Management Office of Inspector General’s study reviewing our recent reports about the mischarges and overfunding of the Postal Service’s benefit obligations.
- On March 2, the Subcommittee on Federal Workforce, U.S. Postal Service and Labor Policy of the Committee on Oversight and Government Reform of the U.S. House of Representatives held its “Pushing the Envelope: The Looming Crisis at the USPS” hearing. Witnesses represented all facets of the industry from the Postmaster General to the Chairman of the Postal Regulatory Commission to mailer representatives to the National Associations for Letter Carriers. Here are excerpts from the hearing.
- The Postal Regulatory Commission found, upon condition, the Postal Service’s request to transfer commercial Standard Mail parcels was in accordance with the Postal Act of 2006 and conditionally authorized the transfer to the competitive product list. There was no set implementation date, as the PRC Order states that USPS must have the Commercial Standard Mail parcels cover their costs before such a transfer would be allowed.
- The USPS on March 3, 2011, submitted to the Postal Regulatory Commission (PRC) reply comments in its latest request for temporary waiver to periodic reporting of service performance measurement. The USPS responded to some of the concerns raised by PostCom/DMA in the associations’ February 15, 2011, comments to the PRC. The USPS defended its decision not to report “uncertified” IMb Full-Service service performance data in Q1 FY2011; said it plans to make system changes in June 2011 to allow it to include more data; said its IMb Full- Service certification process is making great strides, having quadrupled the number of certified mailers since its last waiver request to the PRC; and told the PRC that several of the concerns raised by PostCom/DMA were not the proper subject for this proceeding and should play no role in the PRC’s decision on the USPS’ temporary waiver request.
- The USPS on February 28, 2011, published in the Federal Register its final rules providing a new option for mailers to combine Standard Mail flats and Periodicals flats within the same bundle, when placed on pallets, and to combined bundles of Standard Mail flats and bundles of Periodicals flats on the same pallet. The USPS also amended the Code of Federal Regulations (CFR) to reflect that the Standard Mail service standards will apply to all Periodicals flats entered in such combined mailings. The changes take effect on June 6, 2011.
- The Congressional Research Service (CRS) has released another report, The U.S. Postal Service’s Financial Condition: Overview and Issues for Congress on February 24. The report provides an overview of the USPS’ financial condition, legislation enacted to alleviate its’ financial challenges, and possible issues for the 112th Congress.
- The Postal Regulatory Commission found that the Marketing Mail Made Easy (MMME) “comports with the requirements” of the Postal Act of 2006 and therefore approves the market test.

- Watchdog report: USPS proposals could undermine funding of retiree benefits. APWU schedules March 7 protest. The inevitable demise of the USPS. February CPI figure released. PRC approves Reply Rides Free modification. Valassis, News America Marketing partner on digital coupon cross-publishing. Hearst unveils beta version of Manilla, the plan: disrupt the USPS. Planned postal hike hits marketers, but many remain loyal to mail. Regulators work overtime on USPS bid to drop Saturday delivery. USPS pleads its case to Congress.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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





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 [Politico](#): The unemployment rate dropped slightly to 8.9 percent in February, the Labor Department reported Friday.





[Federal News Radio](#): The relationship between the House Oversight and Government Reform Committee and the Obama administration isn't starting off on the best foot. For the second day in a row, the Office of Management and Budget declined an invitation to testify during a hearing on a White House priority. A request to OMB for comment on why it didn't send anyone to testify was not returned. OMB also declined to send someone to testify Wednesday during a hearing of the Oversight and Government Reform Subcommittee on Federal Workforce, U.S. Postal Service and Labor Policy about Postal Service reform. Previously, the administration expressed support for both of these issues. In the 2012 budget request, President Obama called for USPS to receive relief from its mounting financial obligations to pay for retiree benefits and worker's compensation funds. *[EdNote: Is this how this nation's leaders intend to determine the future of the nation's postal infrastructure? Make it a pawn in grand political games and just let it die on the vine for some party's short-term political advantage? And what about the nation's interest -- the role the post plays as an economic engine and job creator? This isn't national leadership. It's pathetic.]*


 [The Telegraph](#): A Guernsey politician has spoken out in favour of closing the Low Value Consignment Relief (LVCR) VAT loophole in order to 're-establish a mutually respectful relationship with the UK.' The LVCR loophole has benefited many large companies by allowing them to move offshore and avoid VAT on goods, such as DVDs, CDs and printer cartridges, valued at up to £18. Its closure would signal an end to the Channel Islands' lucrative online mail order business, known as the fulfilment industry, along with 1,000 jobs. See also [Medical News Today](#).


 [Yorkshire Post](#): Marketing specialist Communis is gearing up for a move away from mailshots to online marketing once postal prices for bulk mail increase in May. The Leeds-based group is forecasting a switch from large generic mailing campaigns to more personalised and targeted communications and from paper-based to digital formats. *[EdNote: Hellooooo posts! Get on board, and fast! The digi-train is about to leave the station.]*


 [Hellmail](#): Users of Sage 50 can benefit from significant cost savings with a new print and mail application from Docmail. Released this week, Docmail Connect is a free plug-in for Sage 50 packages providing a cloud based software tie up with a hybrid mail production system. The new Docmail Connect app allows a user to create Docmail-ready documents directly from Sage 50. Invoices, statements and letters channelled to Docmail are securely printed and mailed in a dedicated production plant, saving on postage, stationery and production costs, and since the app sits within the Sage 50 workflow, saving time too.

 [TelecomPaper](#): German postal service Deutsche Post and eBay have announced an electronic mail alliance at CeBIT. Under the terms of the agreement, Deutsche Post's electronic mail technology (E-Postbrief) will be integrated with eBay processes. Their strategic development partnership targets innovation and enhanced security for e-commerce. Meanwhile, Post has signed up Medion and My Hammer as new customers for E-Postbrief.

 [Postalnews Blog](#): Reports filed with the Postal Regulatory Commission show that the US Postal Service has reduced its career workforce by 22,334 employees over the last twelve months, from 595,316 down to 572,982, a reduction of 3.8%. Ironically, the largest share of the reductions came in the letter carrier craft, the segment of the postal workforce least sensitive to volume fluctuations. (Carrier workload is affected more by the number of delivery points, which continue to increase as volume declines.)

 [Transport Intelligence](#): Figures published in Global Express Parcels 2011, the latest report from Ti, reveal that the market for express parcels grew by nearly 7% in 2010 to reach €141,555m. The level of growth went some way towards correcting the significant fall in value the year before (10.6%) although the market is still considerably below the peak in 2008. Although the market as a whole rebounded strongly, performance from market to market was very patchy. Overall the international express parcels sector performed better than its domestic counterpart, showing strong growth throughout all regions as international trade rebounded on the back of inventory re-stocking. The trend was consolidated by a hardening of rates and the migration of shippers to higher value products, although there is still a great deal of caution.

 [Roll Call](#): Attendees at the January Consumer Electronics Show in Las Vegas may have been confused when they ran into Darrell Issa: Were they meeting the California Republican Congressman and new chairman of the House Oversight and Government Reform Committee? Or were they meeting the board member of a private company Issa founded called DEI Holdings Inc.? Issa declared he was there as a board member on personal business, and therefore exempt from House ethics rules governing travel provided to Members by outside parties. But his press secretary, standing next to him, declared he was there on official Oversight Committee business, and the Committee paid his way.

 [AllAfrica.com](#): Rwanda will, next week, host a five-day workshop on postal service provision, with an aim of sharing experience between postal officials from the region. It will draw participants from Sudan, Seychelles, Tanzania, Uganda, Ethiopia, Kenya, Lesotho, and Mozambique. Organized by the Universal Postal Union, the workshop aims at bringing together postal service providers to share information, challenges and explore ways of promoting quality services.

 *At the Postal Regulatory Commission:*


### **Postal Regulatory Commission**


#### **NOTICES**

New Postal Product and New Price Category ,  
12141-12142 [2011-4947]

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


*March 3, 2011*


 [Marketing](#): Canada Post is hoping to improve the online shopping experience of Canadians from coast to coast with the national roll out of CentrSource; an online network that lets advertisers reach consumers with local deals and promotions on items including music, movies, consumer electronics and clothing. Consumers can search from over 43,000 coupons, discounts and free trials on the network, according to their postal code on CentrSource.ca. Aside from the local search option, consumers can also search the network for offers from businesses across Canada.


 [Government Executive](#): The U.S. Postal Service's proposal to eliminate Saturday delivery continues to draw opposition from lawmakers. Rep. Sam Graves, R-Mo., on Wednesday introduced a resolution calling on the Postal


Service to preserve its six-day delivery schedule. Any reduction in service would cause post offices to close, limit access to mail for some areas and cut jobs for letter carriers, he said. Graves has introduced a similar measure in previous years.


#### [Hellmail](#):

 [Steve Lawson](#), editor for Hellmail Postal News said today that if the government failed to return or bring new business to post offices, most rural post offices would close altogether and many other post office services would be transferred to supermarket chains or offlicences. His comments follow the announcement by the department for Work and Pensions that it is to transfer benefit and pension payments to PayPoint.

 [UK postal regulator Postcomm](#), is to review the present regulatory regime surrounding access agreements with Royal Mail and the way in which existing legislation will be impacted by the progress of the Postal Services Bill 2010.

 [Irish businesses mailing customers](#) overseas are set to benefit from a partnership between one of the world's leading postal companies and the country's number one independent delivery firm. Swiss Post International and Nightline have today announced a partnership that will create a simpler, faster, cost-effective and more customer-focussed international mail operation than Irish companies have ever seen before. The new venture will see Swiss Post International establishing a retail presence in Ireland for the first time. Nightline will become a Preferred Partner of Swiss Post International and will be able to offer their customers Swiss Post International's extensive range of products and access to a global distribution network for letters and small parcels.

 [Post & Parcel](#): The US Postal Service is now exploring possible opportunities for getting into digital forms of communications, including hybrid or digital postal mail services. Two reports came out last month recommending that the USPS should look into opportunities for revenues in new electronic forms of communication, one from the USPS inspector general and one from the Government Accountability Office (GAO). Yesterday, Postmaster General Pat Donahoe told the Congressman that his team was now examining various ideas in that direction, including working with partners.

 [Federal Times](#): A federal court on Feb. 28 ruled in favor of a veteran who was fired by the U.S. Postal Service after he had spent nearly six years on active National Guard duty. The U.S. Court of Appeals for the Federal Circuit found that the Merit Systems Protection Board had improperly ruled that Richard Erickson had abandoned his postal career and had waived his rights under the Uniformed Services Employment and Reemployment Rights Act. The case will now be sent back to MSPB to be reconsidered. If MSPB rules for Erickson, he could get his job as a distribution clerk back, and be eligible for more than \$1 million in back pay, benefits and attorney fees.



We are about to start an audit survey of the Postal Service Government Relations Organization to determine whether to conduct an audit, and if so, to establish our audit objectives. We expect to complete the survey phase by March 15, 2011. During this phase, we will be contacting headquarters personnel to gather information and to discuss government relation operations. We have established an Audit Project Page web site to provide an opportunity for our stakeholders to comment on our projects. Web site visitors can register comments and upload documents related to our project at the link below. We will consider and use this information as appropriate during the course of our work. We have started the conversation on this topic by asking the following question:


*How effective do you think the Government Relations office has been in conveying the Postal Service position on significant issues and responding timely to internal and external inquiries?*


The Audit Project Page Link is: <http://auditprojects.uspsoig.gov/2011/02/22/government-relations-operations-11bg015ff000/>.





**DMM Advisory: New MailPro Available.** The January-February *MailPro* [[HTML](#)] [[PDF](#)] is


available now on [usps.com/mailpro](http://usps.com/mailpro). You'll find informative articles on the installation of Postmaster General Pat Donahoe, the new Executive Leadership Team, highlights of the upcoming Mailing Services price change, the expansion of Hold for Pickup service, prepaid postage greeting cards, and more. Customers can access current and past issues of *MailPro* online or subscribe by sending an e-mail to [mncsc@usps.com](mailto:mncsc@usps.com). Include your name, title, company name, complete delivery address, and daytime phone number.


 [The Courier](#): Scotland's postal union leader said he wasn't surprised Dundee and Angus recorded the worst quality of service figures on the mainland.


 [YLE](#): The Finnish Post and Logistics Union (PAU) is considering strike action over the government's proposed legislation on postal services. The union claims Communications Minister Suvi Linden went back on assurances made during the negotiation of a new collective agreement about the introduction of second class services.


 [Hellmail](#): The Department for Work and Pensions has today announced that the government is taking the contract for benefit payments away from the Post Office and giving it to private company PayPoint. The CWU said the contract was worth £15 million a year to the Post Office, brought vital footfall into the network and that the government had promised to make the Post Office the "front office for government" but was now cutting existing services.


 [Handling & Storing Solutions](#): DHL Supply Chain has launched a web-based Live Order Tracking System (LOTS) which allows DHL and its customers view order information securely over the internet.


 [FijiLive](#): Post Fiji today handed government their second dividend cheque of more than \$400,000 today. Attorney General Aiyaz Sayed-Khaiyum said it's always good for government to get dividends paid by its state-owned enterprises.

 [Post & Parcel](#): Regulators in the US are set to provide an advisory opinion to Congress "shortly" concerning proposals by the US Postal Service to move to a five-day delivery week. The chairman of the Postal Regulatory Commission, Ruth Goldway, said today that her team had been "working overtime to resolve complex and technical policy aspects" of the USPS request to drop Saturday deliveries. The loss-making USPS submitted its request to the Commission 12 months ago, setting out the proposal as one key part of its strategy to cut costs. The Commission's advice on the proposal is seen as important in influencing how Congress puts forward legislation on reforms needed in the USPS. Last March, the Commission said it would produce its opinion on the matter within six to nine months, but has remained quiet on the issue over the winter.

 [Government Executive](#): Subcommittee Chairman Rep. Dennis Ross, R-Fla., said such cost-cutting measures must be the primary focus of the Postal Service now. "We need to empower you," he said. "However, proposals to provide short term relief ... do not address the long-term, systemic problem and solvency issues that must be tackled in order that the Postal Service will achieve long-term financial stability."

 [DailyFinance](#): The U.S. Postal Service has warned that it will fall \$6.8 billion short on payments it owes the federal government this fiscal year. In a presentation to a House of Representatives subcommittee on Wednesday, Postmaster General Patrick Donahoe said the postal service won't be able to pay its retirement and workers' compensation obligations unless the government steps in.

 [MarketWatch](#): The U.S. Postal Service will be unable to pay two major bills later this year unless Congress changes the law to eliminate Saturday mail deliveries, the postmaster general, Patrick R. Donahoe, told the House Postal Oversight Committee on Wednesday. See also [Dallas Morning News](#).

 [Hellmail](#): From April this year, Jersey Post is to move from a six-day mail service to just five. The reduction is blamed on declining mail volume. Mail volume in Jersey has declined markedly since 2004, falling by as much as 14% in 2009 and after a formal request to the Jersey Competition Regulatory Authority, it was agreed that from April 1st, Jersey Post could reduce its service to five days a week. The operator, which had previously held a



monopoly on bulk mail, also saw competition from other companies after the JCRA granted Citipost and Hub Europe licences on Jersey. In recent years Jersey Post developed subsidiary businesses, notably in the mobile phone market with 'me:mo' and 'Ship2me' - a shipping service between Southampton and the Channel Islands.



[Federal News Radio](#): Some members of Congress are poised to give the Postal Service some relief to its crushing financial requirements. But it's far from a done deal. **Sen. Susan Collins** (R-Maine) introduced the U.S. Postal Service Improvements Act of 2011 (S. 353) Feb. 15. The ranking member of the Homeland Security and Governmental Affairs Committee introduced a similar bill last session of Congress. The latest version of her legislation calls on the Office of Personnel Management to redetermine the postal surplus or supplemental liability as of the close of fiscal 2010, and for each year thereafter through 2043. That surplus would remain in the Civil Service Retirement and Disability Fund until distribution is necessary as long as USPS meets certain criteria. **Rep. Stephen Lynch** (D-Mass.), ranking member of the Oversight and Government Reform Subcommittee on Federal Workforce, U.S. Postal Service and Labor Policy, will follow Collins' lead and introduce a version of the bill as early as this week. **Sen. Tom Carper** (D-Del.), who co-sponsored the postal reform bill last session with Collins, may hold a hearing this spring on the new bill.



*From the Federal Register:*

### **Postal Regulatory Commission NOTICES**

New Postal Products ,

11823–11824 [2011–4742]

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

Post Office Closings ,

11824–11825 [2011–4752]

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


[Hellmail](#): French postal operator La Poste said this week that its digital document exchange services, **Digiposte**, attracted many individuals and businesses during its test phase. It is hoped that the service, which provides a secure way to receive, archive and share digital documents will become more widely used by the public. Digiposte has already been chosen by major partners for management of business documents such as ADP and ISE Microlist, specialists in the archiving of business documents. La Poste said **the response from businesses and individuals during the trial demonstrated a need to create a standard for secure digital exchange.**


[CNN](#): Despite significant cost-cutting, the U.S. Postal Service has "an inflexible business model" that will make it unable to pay huge bills without legislative fixes, the postmaster general testified Wednesday. The agency cut \$3 billion in costs last year and will see about \$2 billion in savings this year, but it still won't have the revenue to meet its obligations, Patrick R. Donahoe told the House postal oversight committee. Despite cutting 230,000 positions in recent years, **without significant changes, he said, the Postal Service, which is not taxpayer funded, cannot survive as a self-financed entity.**


[Watertown Daily Times](#): A state attorney general's office investigation into United Parcel Service's delivery fleet, which was prompted by complaints from a mechanic at the UPS Watertown facility, has resulted in a \$1.3 million settlement with the package deliverer. Attorney General Eric T. Schneiderman announced the settlement Tuesday, saying in a prepared statement that the agreement resolves allegations that UPS knowingly permitted trucks in serious disrepair to be driven by employees throughout the state.

[Politico](#): Democratic Sen. Daniel Akaka of Hawaii will not run for re-election in 2012, creating yet another open seat for Democrats to defend in the Senate. Akaka, 86, has been in the Senate for 21 years, and will serve out the remainder of his term.

*March 2, 2011*


 **Post & Parcel:** Congressman Dennis Ross, the chairman of the subcommittee, said in his opening remarks to the hearing that modifying pre-funding requirements for USPS retiree pension and benefit funds “do not address the long-term systemic problems and solvency issues” the Postal Service faced. He said work force reductions had to be the “primary focus” of the Postal Service, its unions and Congress to improve financial stability. And, noting that negotiations between the Postal Service and its unions were currently underway, he added that in his opinion it was not enough to cut staff numbers by attrition and early retirements.

 **Associated Press:** The Republican-controlled House opened the envelope of postal finances on Wednesday and what it pulled out wasn't pretty. Unless things change, the post office will run out of money by the end of the fiscal year in October, Postmaster General Patrick R. Donahoe told the House Oversight subcommittee on the postal service.

 **Press Release:** Return Mail, Inc. filed a lawsuit on February 28, 2011, against the federal government alleging that the United States Postal Service is using the company's patented process for handling undeliverable mail without permission. The lawsuit seeks compensation for unauthorized use of Return Mail's patent. Covington & Burling LLP attorneys represent Return Mail. Return Mail, a Birmingham, Alabama, corporation founded in 2000, invented an automated system that processes returned and undeliverable mail. Return Mail's system provides benefits and costs savings to mailers. For example, it allows mailers to reduce the costs of manual handling and processing of return mail. It also improves the accuracy of the delivery of invoices, thereby increasing revenue for mailers using Return Mail's system. The United States Patent and Trademark Office awarded Return Mail United States Patent Number 6,826,548 (“ ’548 Patent) for this invention.

 **DMM Advisory: Published Federal Register Notices.** The following three [Federal Register](#) notices have been posted on the Postal Explorer<sup>®</sup> website at [pe.usps.com](http://pe.usps.com).

- **Combined Mailings of Standard Mail and Periodicals Flats** — This final rule adopts revised standards to provide a new option for mailers to combine Standard Mail<sup>®</sup> flats and Periodicals flats within the same bundle, when placed on pallets, and to combine bundles of Standard Mail flats and bundles of Periodicals flats on the same pallet. The effective date is June 6, 2011.
- **New Customs Declarations Label Requirements** — This final rule adopts revised standards to require all mailpieces containing goods that enter the Customs Territory of the United States (CTUS) (the 50 states, the District of Columbia, and Puerto Rico) from outside the CTUS to bear a customs declaration label. Additionally, we are updating standards for items weighing 16 ounces or more when sent to, from, between, and, in some circumstances, within certain U.S. territories, possessions, and Freely Associated States. The effective date is June 6, 2011.
- **Shortpaid and Unpaid Information-Based Indicia (IBI) Postage and Shortpaid Express Mail Postage, Revised Proposal** — This revised proposed rule establishes new procedures to manage shortpaid Express Mail<sup>®</sup> and a new process to detect mailpieces with shortpaid and unpaid IBI postage. Customers are encouraged to comment on or before March 24, 2011.

 **Marketwire:** Zumbox, the leader in secure digital postal mail services, is experiencing rapid growth due to recent corporate activity and market maturation, increasing overall awareness of the digital mail services market. Citing \$9.7 million in new corporate financing and alliances with major mailing houses including DST Output and KUBRA, Zumbox' growth and momentum has the company poised to deliver postal mail from more than 1,000 mailers directly -- and digitally -- to consumers in 2011.


 **Hearing before the House Committee on Oversight and Government Reform:** "Pushing the Envelope: The


Looming Crisis at USPS" **Witnesses: Panel I** [Patrick Donahoe](#), Postmaster General and CEO U.S. Postal Service; [Ruth Goldway](#), Chairman Postal Regulatory Commission; [Phil Herr](#), Director Physical Infrastructure Issues U.S. Government Accountability Office; **Panel II** [Jim Sampey](#), Executive Vice President and CEO Valpak; [Arthur Sackler](#), Coalition for a 21st Century Postal Service; [Fredric Rolando](#) President National Association of Letter Carriers. [Excerpts from this hearing will be made available on this site.](#)


 *At the Postal Regulatory Commission:*


- **MC2010-36** Order No. 689 - Order Conditionally Granting Request to Transfer Commercial Standard Mail Parcels to the Competitive Product List [http://www.prc.gov/docs/72/72142/Order\\_No\\_689.doc](http://www.prc.gov/docs/72/72142/Order_No_689.doc)  
[http://www.prc.gov/docs/72/72142/Order\\_No\\_689.pdf](http://www.prc.gov/docs/72/72142/Order_No_689.pdf)
- **Reply of Chairman Goldway** to NAPUS Letter Requesting Review of Post Office Closings  
[http://www.prc.gov/docs/72/72136/Keva\\_Richardson\\_letter\\_reply.pdf](http://www.prc.gov/docs/72/72136/Keva_Richardson_letter_reply.pdf)
- **MT2011-3** Order No. 687 - Order Approving Market Test of Experimental Product--Marketing Mail Made Easy  
[http://www.prc.gov/docs/72/72132/Order\\_No\\_687.doc](http://www.prc.gov/docs/72/72132/Order_No_687.doc)  
[http://www.prc.gov/docs/72/72132/Order\\_No\\_687.pdf](http://www.prc.gov/docs/72/72132/Order_No_687.pdf)
- **CP2011-53** Order No. 686 -Order Approving Parcel Select Contract 1 Negotiated Service Agreement  
<http://www.prc.gov/docs/72/72131/Order686.doc>  
<http://www.prc.gov/docs/72/72131/Order686.pdf>
- **MC2011-16** Order No. 686 -Order Approving Parcel Select Contract 1 Negotiated Service Agreement  
<http://www.prc.gov/docs/72/72131/Order686.doc>  
<http://www.prc.gov/docs/72/72131/Order686.pdf>

 **DMM Advisory: All Mail Service to Libya Temporarily Suspended.** Effective immediately, all Post Office™ and other mail acceptance locations cannot accept any mail addressed to recipients in Libya. This temporary suspension affects Global Express Guaranteed® (GXG®), Express Mail International®, Priority Mail International®, First-Class Mail International®, International Priority Airmail™ (IPA®), International Surface Air Lift® (ISAL®), and M-Bag items. Mail addressed to Libya that has already been accepted by the Postal Service (other than items already at an International Service Center) will be returned to sender. Upon request, the Postal Service will refund postage and fees on items returned due to the temporary suspension of service. Items already at an International Service Center may be returned or held for dispatch once service is restored in accordance with USPS policy. We will use the *DMM Advisory* to keep you informed of any further developments affecting mail delivery to Libya.


 **Scotland Courier:** The chief executive of Dundee and Angus Chamber of Commerce says it is "really disappointing" that the area's postal staff recorded the worst performance in mainland Scotland.


 **Focus Taiwan:** Chunghwa Post has seen some success with efforts to diversify its marketing strategies, handling 27.34 million pieces of international mail in 2010, about 50.4 percent higher than the previous year, officials said Wednesday. In an effort to cope with the overwhelming rise in popularity of e-mail compared with the traditional postal system, Chunghwa Post has expanded its services, including handling more international bulk mail from mainly East Asian countries, the officials said.


 **DI-VE:** Slightly fewer items passed through the national post last year, although courier services were more frequently used. National Statistics Office figures show that the national postal traffic last year totalled 44.3 million items, representing a 0.5 per cent drop over 2009 figures. The decrease was more pronounced in the delivery of parcels and similar items. 75,657 such items passed through the national postal system last year, 7.7 per cent fewer than in 2009. But courier services saw increased use, handling a total of 446,006 items last year – 17.2 per cent more than in 2009.












 **Post & Parcel:** Canada Post is beginning one of its largest ever product launches today, with the start of a major publicity campaign for its new online direct marketing platform, known as CentrSource. Developed with Swiss firm

CentrSource, the website offers Canadian residents access to localised retail incentives and offers on items ranging from music, movies and electronics to clothing, accessories and health products.

 [Congressional Research Service](#): "The U.S. Postal Service's Financial Condition: Overview and Issues for Congress"

 [Stuff](#): More than 100 posties out and about delivering mail was a sign of life starting to return to normal in Christchurch today.


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


-  A significantly lower letter mail volume in Denmark has caused decreasing revenues for Posten Norden in 2010.
-  In the first half of the business year 2010/2011, New Zealand Post Group has stopped the downward sales trend.
-  With the majority of the coalition parties the lower house of the German parliament approved the so called De-Mail on Thursday.
-  The cost-cutting measures, decided by the Portuguese government have dramatic consequences for around one third of the employees of CTT Correios's subsidiary CTT Expresso.
-  Pos Malaysia achieved a record turnover in the first half year, closed on December 31.
-  A delegation of FedEx senior executives, led by Michael Ducker, currently explores investments opportunities in the Ghanaian postal and express market.
-  The union Solidarnosc had called for protests against the cost reduction and restructuring programme of Poczta Polska.
-  Swiss Post can count on a significant profit increase of its financial unit PostFinance in the business year 2010. Last week Swiss Post's subsidiary reported that earnings rose by 28% to 447.6m euros last year.
-  Chronoexpres, a subsidiary of Spanish Correos, has started to offer selected services in post offices in Spain.
-  DHL plans to more than double its retail network in India.
-  TNT Post in Italy had started to equip its 3,500 deliverers with new handheld devices in December. The 'state of the art' devices, supplied by Motorola, are equipped with a GPRS module, Bluetooth, Wi-Fi, GPS and a scanner.




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.](#)

[Hellmail](#):

 [Correos](#), Spain's main postal operator, has announced it is to be the official sponsor of E-Commerce Expo 2011, to be held at the IFEMA in Madrid in just over two weeks time.

 Last week [Postcomm](#) proposed that bulk mail products should be removed from the universal service. Postcomm's 2010 review of the needs of bulk mail users showed that mailers prioritise the importance of low price bulk products, but appeared less attached to the key features of the universal service, in particular uniform pricing.

 [PaidContent.org](#): Hearst is unveiling the beta version of Manilla, a free personal account management service that lets consumers organize their bills, finances, travel rewards programs and, yes, magazine subscriptions, in one online spot. The company, named for "manila folders," will be headed by George Kliavkoff. While "billing and

account management” might initially sound like an odd choice for a media company to get into, it does show how Hearst and other publishers are realizing that with the **old models crumbling**, areas that even lightly touch on existing businesses, like advertising and subscriptions, are pointing the way to new ones. The genesis of Manilla began during brainstorming sessions among Kliavkoff and his team, who now also includes former Dish marketing exec Jessica Insalaco as CMO. **“We talked about what areas are the most inefficient and the ones most ripe for disruption,” Kliavkoff said. “That’s where we started the idea of tackling junk mail. Essentially, we’re challenging the US Postal Service’s business.”**

 *From the Federal Register:*


## Postal Regulatory Commission


### NOTICES


New Postal Products ,


11532–11533 [2011–4684]


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

 **Politico:** Darrell Issa was supposed to be the White House’s worst nightmare — a partisan Republican with subpoena power and freedom to target administration officials at will. But two months after taking over the House Oversight and Government Reform Committee, the publicity hungry Issa finds himself firing his top press aide and dealing with the fallout not only from the media but from fellow lawmakers in a Washington mini-scandal over how press secretary Kurt Bardella secretly shared other reporters’ e-mails with New York Times reporter Mark Leibovich. See also [Roll Call](#) and the [Washington Post](#).

 **Direct Marketing News:** The postal rate increase coming this spring is not expected to have a significant effect on direct mail marketing plans this year, thanks to its size and timing. However, the fact that the increase is even smaller than the US Postal Service had initially proposed is not much comfort to marketers, say industry observers. As with any cost increase, they point out higher postal rates continue to erode marketers’ use of direct mail.

 **Lexology:** Postal Service unveils FY 2010 - 2012 strategic plan for supply management.

 **North Fort Myers Neighbor:** The U.S. Postal Service has made it even easier to use direct mail by offering Every Door Direct Mail (EDDM) on any delivery route nationwide! You can target a location without an address list, send out local mailings or national campaigns, build more traffic, find new customers, increase revenue and reduce mail preparation costs. With Every Door Direct Mail, you can distribute flats (mailpieces measuring larger than 6 and 1/8 by 11 and 1/2 inches) without applying individual names and addresses on any delivery route nationwide. In addition, you can distribute letter size mail (mail measuring at least 3 and 1/2 by five inches to as large as 6 and 1/8 by 11 and 1/2 inches) to any delivery route that is designated as rural or highway contract delivery.

 **Atlanta Business Chronicle:** The U.S. Justice Department is investigating both Atlanta-based United Parcel Service Inc. and Memphis-based FedEx Corp. for possible anticompetitive behavior, according to The Wall Street Journal. On Monday, department officials confirmed an investigation, but declined to name names, saying only that they are investigating the parcel-delivery industry. However, both parcel delivery companies told the WSJ in January they were being investigated, and described the action as preliminary. Justice Department officials would not confirm an investigation at that time. A UPS spokesman told the WSJ on Monday the status of the investigation has not changed. A FedEx representative did not respond to a WSJ request for comment, the paper reported. See also [Internet Retailer](#).

*March 1, 2011*

 *At the Postal Regulatory Commission:*

- Form 8-K, Current Report  
<http://www.prc.gov/docs/72/72127/2011%2003-01%20FORM%208-K.pdf>  
[http://www.prc.gov/docs/72/72127/Transmittal letter 8K 2011 3-1.pdf](http://www.prc.gov/docs/72/72127/Transmittal%20letter%208K%2011%203-1.pdf)





The following is the response from the USPS OIG to the OPM OIG on the [report noted below](#):

Thank you for the opportunity to respond to the OPM Inspector General's study reviewing our recent reports about the mischarges and overfunding of the Postal Service's benefit obligations. Both the postal pension and health funds are administered by OPM and are accounted for separately from the federal government's benefit funds.

Our reports focused on the latest of OPM's long history of miscalculations involving Postal Service benefit funds:

- In 2002, the Postal Service's pension fund was found to be overfunded by \$78 billion. Congress corrected this in 2003.
- In 2003, OPM attempted to make the Postal Service responsible for \$27 billion in military service pension obligations for Postal Service employees. Congress refused to accept this attempt.
- In 2009, we found that the OPM used an exaggerated 7 percent health care inflation forecast instead of the 5 percent industry standard, resulting in an overpayment of \$13.2 billion by 2016. Congress ordered OPM to review it and they changed it.
- The Postal Service has been overcharged \$75 billion for its share of the CSRS pension payments. In essence, for 40 years the Postal Service paid its own and the federal government's inflationary costs.

OPM typically responded to these findings with initial denial followed by major corrections. In such a history of errors, one would expect to see some balance.

- Errors are normally random, but without exception these have disadvantaged the Postal Service.
- Self discovery by OPM of such substantial miscalculations should have occurred.
- Self correction by OPM, charged with fund administration, would also have been expected.

Regarding the matter that was reviewed in the OPM report, the Postal Service Office of Inspector General has the following observations:

Our reports concerning the mischarges and overfunding of Postal Service benefits relied on the work of an actuarial firm that was under contract to the OIG. That firm had previously done work for OPM in the benefits fund area. Our work was independently reviewed by a second actuary employed by the Postal Regulatory Commission (PRC). In contrast the OPM characterizes their study as an analysis based on the work of others, but without independent actuarial assistance.

The OPM study makes the following points in their review:

1. The taxpayers will sustain losses if the funds are restored to the Postal Service.
2. The Postal Service would use the returned funds to subsidize operations and not for benefit funds.
3. OPM is unable to correct the overcharges because of their limited authority.
4. The study endorses 100 percent prefunding requirement for Postal Service benefit funds.


In response to the OPM, we have some observations on each of their points:


1. The Postal Service benefit funds are funded entirely by postal employees and postage from American citizens and businesses. Postal Service contributions should not


- supplement federal employee contributions and federal employee contributions should not supplement Postal Service contributions.
2. If benefit fund overpayments were returned, the money would not be used for Postal Service operations. The proposal is to use the surplus to make annual benefit payments. Using employee money for postal operations would be as wrong as putting it in the federal employee benefit fund; both are improper.
  3. The Postal Inspector General and Senator Collins believe that OPM could correct this funding issue using their own authority. OPM has responsibility for accurately and fairly administering these funds.
  4. OPM recommended 100 percent funding levels for both the Postal Service's retirement and healthcare funds. However, the report is silent on the adequacy of OPM's government prefunding level of 40 percent for retirement and 0 percent for healthcare.


This is not about the financial condition of the Postal Service, but that the Postal Service was overcharged and subsequently overpaid into benefit funds. In the United States there is the rule of law and the accounts must be settled. This issue is fundamentally about righting an inequity.


[See [Washington Post](#) for additional background. Stay tuned for "Food Fight at the CSRS Corral."]


 [Business Insider](#): Hearst is taking the wraps off its stealthy new digital startup, "Manilla." Manilla is a **free one-stop online hub for all your bills** -- from magazine subscriptions to credit cards to whatever. How will Manilla make money? It gets paid everytime one of its users scraps paper billing. If a user signs up through Manilla to manage his Comcast bill, Comcast will **stop sending him a paper bill**. Comcast pays Manilla a fraction of what it would have cost to mail the bill. Hearst also puts ads for Comcast around the Comcast bill in Manilla.


 [Canada NewsWire](#): Over 2000 Canada Post counters are now open for business in pharmacies. That number is growing as Canada Post continues to open more counters in pharmacies across the country. That's why the union representing postal workers has been busy persuading employees working at postal counters in Shoppers Drug Mart, Pharmaprix, Familiprix and Uniprix stores to join its 55,000-strong ranks. So far, the organizing drive has resulted in 211 employees in Montreal and Saskatoon joining the Canadian Union of Postal Workers. On February 28, CUPW's Quebec region filed an application on behalf of 25 more workers at Familiprix. If the application is successful, this will raise the number of unionized postal counters in pharmacies to 51 and counting.

 [Courier, Express, and Postal Observer](#): The OPM-OIG report suggests that this could happen if the Postal Service cannot make its statutorily required payments to the Employee Health Benefit (EHB) Fund. The report goes on to suggest that any shortfall by the Postal Service could raise the premiums paid by all other Federal employees.

 [Direct Marketing News](#): Media and marketing services firm Valassis and News America Marketing, a coupon and consumer promotions provider, said February 28 that they have agreed to a cross-publishing deal to expand each company's respective coupon and savings websites. The combination of News America's SmartSource product portfolio and Valassis' RedPlum.com and Save.com platforms will result in a "significant increase in the number of coupons available to shoppers on both sites," said John Lieblang, president of Valassis Digital Media. SmartSource is a network of more than 1,600 newspapers and 55,000 US businesses, while RedPlum and Save.com have more than 7,000 associates.

 [The Ukiah Daily Journal](#): It looks like the U.S. Postal Service is on a path to making the same mistake so many corporate types do when it comes to the Ukiah Valley. They think just ignoring us will make us go away.

 [Direct Marketing News](#): A US Postal Service update to its periodical content rules last July gave marketers a new route to send creative print materials at a discount. The new rule allows advertisers to mail supplements and certain other materials at a periodical rate, so long as they mail them with a host publication. They can also take advantage of updated technologies to include things like video chips within magazine pages. This means an advertiser can send such materials with a magazine rather than at the higher direct mail cost.

 [Fox19](#): The U.S. Postal Service says it will review operations at its Gary Processing and Distribution Center. Officials say they will consider consolidating some of its mail processing and transportation operations at the Gary office into its South Bend distribution center depending on the study results.

 *From the Federal Register:*

### **Postal Regulatory Commission**

#### **NOTICES**

Meetings; Sunshine Act ,

11297 [2011-4696]

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

New Regional Ground Service for Parcels ,

11297-11298 [2011-4460]


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


Post Office Closing ,


11298-11299 [2011-4420]


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


 [Hellmail](#):

 [Spanish postal operator Correos](#) announced this week that it has introduced two new express products - 'Chrono 10' and 'Chrono 14'. The products are the result of an integration between the postal service and subsidiary Chronoexpres.

 The [Royal Mail](#) today received criticism from Consumer Focus, following the publication of its Quality of Service report. Robert Hammond, Head of Post and Digital Communications at Consumer Focus, said that disruptions caused by fine-tuning of its modernisation programme and poor communication with customers in some areas needed addressing.

 [Courier, Express, and Postal Observer](#): In a previous post, I noted that the Postal Service plans to announce a cut around non-union 7,500 employees on March 25. In all likelihood, a cut of that magnitude would involve a cut in the number of district and area offices along the line of the reductions suggested by the USPS - Office of Inspector General. It is possible that the USPS - OIG may have underestimated the number of cuts in district and area offices that the Postal Service could cut and still manage the business effectively. Larger cuts would come if the Postal Service was as aggressive as United Parcel Service was in 2010 in cutting levels of management.

 [Politico](#): Rep. Darrell Issa, the Republican chairman of the powerful Oversight and Government Reform Committee, has launched an inquiry into whether spokesman Kurt Bardella improperly shared e-mails from other reporters with a New York Times reporter writing a book on Washington's political culture, POLITICO has learned. Bardella has been cooperating extensively with Times reporter Mark Leibovich on the book, and Issa told POLITICO Monday that he would "get to the bottom" of exactly what Bardella shared with Leibovich.

 [Government Executive](#): **U.S. Postal Service proposals to change how retiree benefits are funded could adversely affect those programs and would not help the agency out of the red**, according to [a new report from the Office of Personnel Management's inspector general](#). The study, which is expected to be discussed during a Wednesday hearing on Capitol Hill, warned USPS against "using the federal retirement program as a vehicle through which to implement policy objectives unrelated to the federal retiree benefit programs," the agency said in a statement. The IG report recommended that "**OPM strongly oppose any legislative action that would permit the USPS to fund its FERS responsibilities at 80 percent.**" The OPM IG also said the proposals would shift the costs from USPS ratepayers to American taxpayers. We generally agree with Proposal 1 regarding the disposition of excess FERS contributions. We strongly object to the remaining proposals on several grounds. **Of great concern to us is the fact that during the course of our research, we did not find any viable projections indicating that the USPS will be able to restore its operations to profitability.** [EdNote: Now there's faith for you. Does this Administration want to the nation's postal infrastructure or just watch it go to hell in a hand basket? With stuff like this, it's getting hard to tell.]