



## **Association for Postal Commerce**


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### **Postal News from March 2012:**


***March 31, 2012***


 **Washington Post:** Rep. Gerald E. Connolly (D-Va.), a member of the U.S. House subcommittee that oversees the USPS, has criticized the agency's approach to reducing its massive deficit. "The lack of analytical work at the top of the Postal Service makes you weep," Connolly said. "No corporation would be managed this way." In a study released to Congress that analyzed the effect of closing processing plants, the reduced mail volume could cause a loss in revenue of \$1.3 billion, the study found. When you are already \$8 billion short, losing another \$1.3 billion is moving in the wrong direction. The study was originally confidential, but Connolly successfully pushed for its release.


 **The Hill:** A disagreement over tactics in the Senate may derail efforts to avert the closure of hundreds of mail-processing centers and rural post offices around the country. Congress will have only a month after the two-week April recess to pass legislation before a moratorium on post office closures expires on May 15. Senate Majority Leader Harry Reid (D-Nev.) had planned to bring legislation to the floor this past week to overhaul the U.S. Postal Service to minimize the impact on mail delivery but he cannot round up enough votes in his caucus. Reid in recent days has worked out a deal with Sen. Bernie Sanders (I-Vt.), a vocal advocate of stopping cuts in service planned by the postal service, to advance the legislation but two key Democratic senators, Max Baucus (Mont.) and Jeff Merkley (Ore.) are holding out for more. The fight could make it tough for the Senate to pass the postal reform bill and win approval from the House before the five-month moratorium on closing post offices expires.


 **USA Today:** The USPS has launched a marketing campaign to promote "Every Door Direct Mail," a shipping service for small business with postage rates starting at 14.5 cents. "Every Door Direct Mail is designed for small businesses," said Paul Vogel, the agency's president and chief marketing and sales officer. "For less than 15 cents a piece, our customers can send fliers, menus, brochures and advertisements in highly targeted ways.


 **Times Herald-Record:** Congress adjourned for its Passover and Easter recess without adopting any legislation that could stop the closure of U.S. Postal Service facilities. The Postal Service's processing and distribution center in the Stewart Industrial Park and 222 other centers across the nation are slated to close over a three-year period — a move the Postal Service says will save about \$13 billion a year. Congress is not due back until April 16 — just under a month before a moratorium on closures, to which the Postal Service agreed, expires May 15.


 **PRWeb:** Intelisent is excited to announce that they are one of the first companies offering a service that provides enhanced utilization of the US Postal Service's new Informed Visibility Program. Intelisent is uniquely positioned to fully process the new data generated by Informed Visibility – and, most importantly, translate that information into solutions that can help businesses strategize and market more effectively.


 [World News](#): UN Postal Administration releases postage stamps to honour World Autism Awareness Day. Photo: UNPA30 March 2012 ♦ The annual observance of World Autism Awareness Day should spur global action to combat the "unacceptable" discrimination, abuse and isolation that people with the disorder and their loved ones face, according to Secretary-General Ban Ki-moon. "Autism is not limited to a single region or a country; it is a worldwide challenge that requires global action," states Mr. Ban's message for the Day, observed annually on 2 April. "People with autism are equal citizens who should enjoy all human rights and fundamental freedoms." In December 2007, the United Nations General Assembly adopted a resolution declaring 2 April as World Autism Awareness Day in an effort to draw attention to a pervasive disorder that affects tens of millions around the globe.


 [Huntington News](#): U.S. Rep. Nick Rahall (D-W.Va.) late Thursday introduced legislation to strengthen the hand of rural communities in fighting post office closures in southern West Virginia. The bill – H.R. 4335, the Postal Service Accountability Act – would strengthen the Postal Regulatory Commission (PRC), the independent regulator of the Postal Service, enabling it to act as a check on postal closures, directing the Commission to focus on the community impact of a closure. As part of the appeals process, which already exists in current law, the measure would give the PRC a binding authority to block a post office or sorting facility closure, and would increase, from two to three, the number of Commissioners needed to affirm a closure.

 [Mainichi Daily News](#): Japan Post Service Co., the postal services unit of the Japan Post Group, is expected to log an operating profit of 9.7 billion yen in fiscal 2012, returning to the black for the first time in three years.


 [Direct Marketing Association](#): Judge Robert Blackburn of the U. S. District Court for the District of Colorado issued an order granting the DMA's motion for summary judgment on both Counts I and II of the DMA's complaint challenging the 2010 Colorado use tax notice and reporting law.

 [Government Executive](#): When a government agency or a business runs into serious financial trouble, it's often a sign that somewhere along the way oversight fell short. The U.S. Postal Service, which lost \$3.3 billion in the first quarter of fiscal 2012 alone and is arguably in the worst financial shape right now of any federal agency or major American company, is not wanting for watchdogs. The quasi-governmental agency—which operates like a business without the benefit of appropriated funds—takes direction and advice from several bodies with different roles and often competing interests, including Congress, the Government Accountability Office, USPS inspector general, Postal Regulatory Commission and Board of Governors; USPS also must comply with the 2002 Sarbanes-Oxley Act. In addition, hundreds of other stakeholders and customers nationwide weigh in on everything from postal rates to post office closings. That's a lot of oversight for an entity that doesn't receive congressional appropriations. So with all those watchful eyes, how did the Postal Service get to the brink of bankruptcy?


 [National Association of Postmasters of the U.S.](#): "Senate to Act on Postal Bill in April; Surprise Pronouncement at Health Hearing"

 [PRNewswire](#): The U.S. Postal Service is planning to revise its mailing standards and has recently filed with the Postal Regulatory Commission to allow commercial mailers to include logos, trademarks, brand images or other kinds of marketing designs in the permit imprint indicia area of their mail. The Picture Permit Imprint Indicia offering will provide participating companies with immediate recognition of their logos, products or promotions while boosting the visual impact of their mail.


*March 30, 2012*

 [Bloomberg](#): Senator Joe Lieberman, a Connecticut (BEESCT) independent and onetime Democrat known for frequent splits with his former party, has found a fresh way to stand apart: He's the only retiring senator with a solid chance to leave a mark on policy this year. Lieberman is working on a measure to bolster the nation's computer defenses and another overhauling the financially struggling U.S. Postal Service. Whether he leaves the Senate on his own terms isn't assured. His two final bills are hitting snags. Even if they make it through the Senate, House passage isn't assured. The Postal Service bill would authorize cost-cutting steps to save it from bankruptcy in an era of e-mail. The measure would provide more revenue, in part by allowing the Postal Service to ship wine and beer and boost some rates. It would cut billions of dollars of mandated pre-payments to its retiree health benefits fund. The

Postal Service, which wants to end Saturday mail delivery and close as many as 3,700 post offices, would have to keep six-day service for at least two more years and go through a designated process to decide which facilities to close. This week, a Senate vote to consider the postal bill fell nine votes short, so it won't come up until after a two-week April recess. Some senators say rural states aren't guarded enough against post office closures and reduced mail delivery. Lieberman said he and other bill sponsors want to find a "sweet spot" with opponents by imposing even tougher reviews of postal office closures in an amendment they'll offer.

 **Post & Parcel:** Czech Post said yesterday that it was able to increase its operating income during 2011 despite the steady decline in revenues from its traditional postal services. The Post said that while demand fell for correspondence and postal orders, its parcel services have been booming, while a new early morning newspaper delivery contract with publisher Vltava Labe Press was also bearing fruit.


 The [Association for Postal Commerce has filed comments](#) in response to the USPS' proposed rulemaking on POSTNET Discontinuation.


 **Institute for Research on the Economics of Taxation:** New IRET paper: "Why The U.S. Postal Service Is In Greater Financial Trouble Than Most Foreign Postal Services - The Role Of Government Micromanagement"


**Mailers' Technical Advisory Committee (MTAC)** **USPS Area and Local Contact Listing Now Available On Tuesday, March 27, 2012,** USPS Industry Engagement and Outreach made a listing of Postal Service area and local level contacts available on RIBBS, the National Customer Support Center Rapid Information Bulletin Board. The Postal Service has heard our customers' requests regarding contact information for their postal representatives on the local level, and we have responded with this valuable resource tool. From District Managers, Plant Managers, and Postmasters, to Shipping, Mail Entry, and Consumer & Industry Affairs Managers; this much anticipated listing provides complete contact information for each local postal area and district across the nation. The contact listing is a tabbed Excel file for your convenience, and can be found as the last link at the bottom of the blue shaded "Important Links" box on the "Mailers' Technical Advisory Committee (MTAC)" page of RIBBS via the following link:  
<https://ribbs.usps.gov/index.cfm?page=mtac>

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

- **PostalOne! Release 30.0.0 and FAST Release 20.0** will deploy on Sunday, April 1, 2012. *PostalOne!*® Release 30.0.0 will require an extended maintenance window, with an outage from 8 p.m., Saturday, March 31 to 9 a.m. CDT, Sunday, April 1, 2012. A new client version for Mail.dat® download will be available immediately after the maintenance window and is mandatory for use with the new release. The FAST® On-Line application will be unavailable from 4 a.m. to 8 a.m. CDT on Sunday, April 1. A link to "Known Release Issues" with this release that impact mailers is on [RIBBS](#) on the [Full Service 2012 Releases](#) home page.
- **Test Environment for Mailers (TEM)** — *PostalOne!* Release 30.0.0 and FAST Release 20.0 will deploy to the Test Environment for Mailers (TEM) on Monday, April 2, 2012. *PostalOne!* TEM will be unavailable from 4 a.m. through 4 p.m. CDT and the FAST TEM On-Line application and Web Services will not be available from 8 a.m. to 12 noon CDT.
- **Business Customer Gateway Release 3.3** will deploy on Sunday, April 1, 2012, from 4 a.m. to 8 a.m. CDT in a rolling fashion with no outage to the users.
- **Business Customer Gateway Outage** — The Business Customer Gateway production environment will be unavailable on Sunday, April 15, 2012, from 3 a.m. to 5 a.m. CDT. During this time all USPS® services accessed through the Business Customer Gateway — including *PostalOne!*, FAST, Mailer ID, and Program Registration — will be unavailable.
- **PostalOne! Maintenance Outage** — There will be a *PostalOne!* outage during the scheduled maintenance window Sunday, April 15, 2012, 4 a.m. to 8 a.m. CDT. *PostalOne!* applications, including Mail.XML® web services, will be unavailable for internal and external users from 4 a.m. to 8 a.m. CDT during this outage.

 **Government Executive:** House legislation aimed at reforming the business operations of the U.S. Postal Service would save the agency about \$20 billion during the next decade, according to an updated analysis of the bill by the nonpartisan Congressional Budget Office. The bill, approved in 2011 by the House Oversight and Government Reform Committee, would achieve the multibillion-dollar savings largely by eliminating Saturday mail delivery, CBO said. Reducing mail delivery from six to five days a week would save USPS about \$2.5 billion annually by fiscal 2015 in personnel and transportation costs; those savings would decrease to about \$2 billion per year by 2022. The cost estimate CBO released Thursday is similar to the office's December 2011 analysis of the bill (H.R. 2309); the latest version estimates the costs and savings through 2022.

 **Ofcom:** Ofcom today set out measures to ensure that UK consumers and businesses continue to benefit from a universally-priced, affordable postal service, six days a week. The decisions outlined today give Royal Mail greater freedom in the way it sets its prices, but introduce safeguards to ensure that consumers and competition are protected.

 **Washington Post:** A Democratic attempt to tie Republicans to big oil companies, lingering issues with federal highway funding and the start of the annual budget process tied up most of the week, upending plans to begin debate in the Senate over a bipartisan plan to overhaul how USPS manages and delivers the mail. There will be roughly one month left when the House and Senate return from their two-week Easter and Passover recess to complete postal reform before the end of a moratorium on closing up to 223 processing centers and thousands of post offices. At the request of lawmakers, USPS agreed to wait until May 15 to begin the closings process, which is expected to start in late May, be suspended in late August for the election and holiday-mailing season and then resume again next January.



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

- Here are highlights from the hearing and written testimony of the House Committee on Oversight and Government Reform.
- The Postal Service published its unaudited February results with the Postal Regulatory Commission. USPS lost \$1.1 billion in February 2012. The Postal Service's controllable operating loss for the month was \$151 million. The total loss was due to the Postal Service Retiree Health Benefit Fund prepayment of \$1.0 billion and a workers compensation adjustment of \$60 million.
- The Commission identified ten Market Dominant products with rates that did not produce sufficient revenue to cover attributable costs in FY 2011, creating losses of \$1.6 billion. Standard Mail Flats remains out of compliance as losses grew from \$577 million in FY 2010 to \$643 million in FY 2011. No remedial action was suggested at this time by the Commission.
- In dotting your "i's" and crossing your "t's" you're sometimes thrown a curve ball. Imagine my surprise when, discussing our mobile path, I was told by the Postal Service that the "Bill-Me Later" product promotions which generate 100% of both our online and offline sales won't qualify for their July/August mobile barcode promotion because there's no financial transaction such as a means to enter a credit card number. I don't understand this view. Our financial auditor as well as the auditors of all our business partners certainly consider our bill-me sales as just that...sales...financial transactions. It was also pointed out to the Postal Service that bill-me sales (whether they be offline, online or mobile) are more valuable to the USPS than credit card sales since many folks, especially those who respond to bill-me later advertisements, do still prefer to be billed in hardcopy form through the mail, and submit a check payments through the mail. While the universe of check payments is shrinking, the Postal Service should be looking at all opportunities to preserve this profitable First-Class mail volume, not exclude it. This action seems to conflict with the goal of encouraging synergy across marketing channels.
- According to Carlos Marcia of AddressVision, Inc., "Just like QR codes, IMB barcodes can now be scanned using the camera on a smart phone or tablet utilizing a specialized mobile application (app). IMBScan, a simple app currently available for iPhone and Android devices, provides the technology required to unlock the power of the Intelligent Mail Barcode for your customers. As shown on the screen capture below, after launching IMBScan, the user simply aligns a red guideline over the IMB to automatically scan the barcode."

- PRC approves USPS mobile barcode promotion. Postal Service steers attention away from ‘flawed’ revenue study. Postal Service and mail handlers heading into mediation. UPS pushes logistics to forefront. New CPI figure available. MTAC finally releases minutes. Largest postal union calls on Senate to reject S. 1789 as currently drafted. Senate prepared to push back postal reform vote. Banking find opportunity in USPS woes. President nominates James Miller to another term on USPS Board. Senate vote to invoke cloture fails. Postal Service plan to drop fed health program faces murky future. Merkley, Wyden seek to save rural post offices. Rockefeller, Manchin vote against postal reform bill. Why your mailman could be retiring. Lawmakers seek to limit postal exec compensation. Magazines - digital circulation more than doubles, but remains small.
- Updates from the Domestic Mail Manual.
- Updates from the Federal Register that affect the mailing industry.
- 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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*From the Federal Register: **Postal Service NOTICES** Proposed Intelligent Mail Indicia Performance Criteria , 19391 [2012–7359] [[TEXT](#)] [[PDF](#)]*


 **Post & Parcel:** Two public policy experts from the University of Toronto have questioned the need for the Canadian government to have any ownership in the mail system. Professors Edward Iacobucci and Michael Trebilcock published a paper this week looking at the role of government in sectors including mail delivery, arguing that there is a “strong case” for privatising Canada Post. They suggest that the main reasons for government involvement in any market is to correct market failures, or to achieve a particular social outcome. In mail, they argue that there is “no apparent market failure” despite Canada Post’s declining mail volumes. And, they state that fears about the survival of the universal service obligation under a privatised postal service are unwarranted. The professors claim that the only thing keeping Canada Post publicly-owned is a government keen on the potential income from the organisation and unions with their “clear political agenda”.


 **Post & Parcel:** The US Senate is proposing a new Commission to review US Postal Service operations and recommend new ways for USPS to generate revenue when it returns from recess next month.


 **The Australian:** Australian online retailers are struggling to thrive due to poor postal services. EBay has reported that more than half of respondents to its annual Online Business Index survey released yesterday identified lack of affordable postal services as a barrier to growth. In particular, eBay Australia managing director Deborah Sharkey said local online retailers were struggling to provide customers with shipment tracking services affordably.


**March 29, 2012**


 **Financial Times:** There is good news in the post. At last the government has set a target date for the privatisation of Royal Mail. By autumn of next year, the Queen’s head could fall into private hands. Not only is this a good step. It is also an overdue one. Had Royal Mail been privatised years ago, it might today have been better equipped to meet the challenges of the digital revolution, which have radically altered the way we communicate. For too long it has been weighed down by inefficiencies, including the restrictive practices of a highly unionised workforce.


 [Wall Street Journal](#): Take a look inside a mailbox in The Netherlands these days and there's a chance you'll find the latest copy of the Dutch mail company's customer magazine. At first glance it's nothing fancy — small format, not high-gloss, it looks more like a supermarket advertisement. But there is more than meets the eye in each copy of "Er is post" — which, loosely translated, means "You have mail." The reader is getting more than just printed matter. Consumers may be familiar with using their smartphones to take pictures from Quick Response, or QR, codes at billboards to receive extra information or discounts on a product. But the technology employed by start-up Layar Vision goes a step further. Its app scans pages of papers or magazines and recognizes if virtual media are embedded. By viewing these pages through the Layar app, digital buttons will automatically appear with links to websites, YouTube videos, app downloads and other actions.


 [BGR](#): Market research firm Nielsen on Thursday announced that as of February 2012, about half of all mobile subscribers in the United States own a smartphone. *[EdNote: And the Postal Service's "digital" strategy is.....learn how to count from one to ten on your fingers.]*

 [SBWire](#): Reportstack, provider of premium market research reports announces the addition of 'RFID in Russia, CIS, Baltic States 2012-2022' report to its offering This report analyses RFID supply and use in Russia and 15 surrounding countries. These countries have total population comparable to that of Russia but little more than one third of Russia's Gross Domestic product GDP in total and RFID use and potential in total. They are the Baltic States, CIS and, because of its RFID potential, Bulgaria ie Azerbaijan, Armenia, Belarus, Bulgaria, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Tajikistan, Turkmenistan, Uzbekistan and Ukraine. Since Russia has larger present and future demand than all the others put together and, unlike the other countries, it is a world leader in some aspects and seeking to be a world leader in others, we look particularly closely at it, including providing ten year forecasts by application and detailed comparison of its present and future RFID applications with the global situation and global forecasts. For example, Russia is already global leader in use of RFID ticketing and seeks to become leader in postal RFID use.

 [Adelaide Now](#): A heated battle looms between Australia Post and Computershare for control of a nascent market tipped to balloon into a billion-dollar industry. The postal service this week unveiled plans for a "Digital Mailbox" system, allowing consumers and businesses to receive and pay their bills online using one platform. But it was beaten by Computershare, which - in a venture with marketing and communications group Salmat - launched Digital Post Australia almost two weeks earlier. Digital Post Australia chairman David Hynes has dismissed Australia Post's move, saying the postal service is offering "a platform that isn't functioning yet". Both the proposed services will be free to consumers. The revenue will come from companies that issue bills, who pay to use the platforms. Australia Post and Digital Post say their systems will allow billers to cut costs significantly, eliminating paper and printing expenses.


 [Post & Parcel](#): The Caribbean nation of Trinidad and Tobago is set to gain a new post code system later this year, its postal service said yesterday. The Trinidad and Tobago Postal Corporation began efforts to spread awareness among the country's 1.2m population about the system yesterday, with a launch event in Port of Spain. The new TT Postal Code System will use six-digit numeric codes to make it easier to deliver mail to specific addresses.

 [Honolulu Star Advertiser](#): The U.S. Postal Service confirmed today that a virus-bearing email that masquerades as a Postal Service email has been circulating in Hawaii since late last week. Opening the email, which claims to offer information on the Postal Service's "Click-N-Ship" program, or clicking on links within it could install a computer virus that can steal personal information, said Brian Shaughnessy, a U.S. Postal Service inspector in Honolulu. Shaughnessy said the emails contain a fake confirmation for an order of online shipping labels. The Postal Inspection Service is working to shut down the malicious program, he said.

 [AdAge Mediaworks](#): Magazines more than doubled their paid digital circulation in the most recent reporting period, but print remains the overwhelming majority of their business, according to a new analysis by the Audit Bureau of Circulations. Despite all that growth, however, digital remains about 1% of magazines' total paid and verified circulation.

[Naples News](#): Hannah Rose Kandel, a Naples resident and student at Eden School, is one of eight artists chosen by the United Nations for its 2012 Autism Awareness Stamp. Kandel's painting, "Crazy Love," was selected as the result of a worldwide search for talented artists with autism. The United Nations Postal Administration will issue stamps and first-day covers on Monday, April 2, in recognition of World Autism Day.

[Ontario Argus Observer](#): U.S. Sen. Jeff Merkley, D-Oregon, is planning to introduce an amendment to major legislation overhauling the U.S. Postal Service to keep rural post offices targeted for closure open.



**THE ULTIMATE TEST OF ANY POSTAL REFORM MEASURE**

*(2) It must ensure the Postal Service is set up to operate on a self-sufficient basis;*  
*(that means it has to do SOMETHING to REDUCE POSTAL COSTS);*  
*(3) It must ensure the ability of the Postal Service to satisfy the nation's postal needs.*

*ANY legislative proposal that cannot do this should go back to the drafting table.*

[Multichannel Merchant](#): J. Jeffery Peoples, CEO of postal software provider Window Book, wants all merchants to adopt the Intelligent Mail Barcode (IMB) Full Service plan because he says it's necessary to receive the best postage rates.

[Post & Parcel](#): US regulators said today that 10 loss-making market dominant products contributed "substantially" to the Postal Service's \$5.1bn loss in the 2011 financial year. The latest annual compliance determination (ACD) report from the Postal Regulatory Commission said USPS products priced below-cost accounted for \$1.6bn in losses for the federal agency last year. Two of the major offenders were Standard Mail Flats and Periodicals. The Commission said 35 discounts offered for mail processed by third-party "work share" partners were above the level of avoided cost for those services, with 16 that did not meet the requirements in US postal law. Elsewhere in the Commission's annual grading of the Postal Service, it said service standards were met by USPS during the year for its single-piece First Class Mail and Special Services, but most of the Postal Service's monopoly services did not meet their targets.


[NZ Finance Yahoo](#): New Zealand Post Group, the state-owned postal service, is increasing the cost of a standard domestic letter to 70 cents starting on July 1. The postage for sending a standard size letter within New Zealand will rise from 60 cents mid-year. Postage rates for international courier services and some international business letter services will increase between 2.5 percent and 5 percent.


[The Charleston Gazette](#): The drowning USPS is devastated by several forces: One is the relentless rise of e-mail, online bill-paying and other free Internet communications that eliminate first-class letters. Another is entrenched unions that require top salaries for 574,000 postal workers, plus \$5.5 billion a year for retiree benefits. Another is competition from UPS and FedEx, which deliver packages more cheaply by using lower-paid employees. Another is cheap long-distance telephoning, which has reduced letter-writing. Some members of Congress are pondering other ways to rescue the USPS. Washington sources said Sen. Jay Rockefeller, D-W.Va., might draft a proposal to raise mailing cost for newspapers and magazines by 5 percent each year until no additional revenue is needed. However, Rockefeller said Tuesday that he hasn't written any proposal and is exploring all options to increase postal revenue. We rarely present arguments in behalf of the newspaper industry, but we think it's crucial to prevent a postal rate hike for America's vital news media, which is struggling with Internet encroachment, just like the USPS. America needs informed, intelligent, news and analysis. In these difficult times, a postal increase might inflict enough harm to force some papers out of existence.


[The Hill](#): Three freshman House members have introduced a measure to cap the pay for postal executives, as lawmakers continue to seek consensus on legislation that would solidify the Postal Service's finances. The legislation from Reps. Morgan Griffith (R-Va.), Kathy Hochul (D-N.Y.) and Kristi Noem (R-S.D.) would require that USPS executives make no more than Cabinet members. As it stands, members of the president's cabinet are


slated to make just shy of \$200,000 this fiscal year. But Postmaster General Patrick Donahoe and other top postal officials made well over that amount in 2011, according to various reports. The proposal comes as lawmakers are grappling with how to reform postal operations, with USPS losing billions of dollars in recent years as mail volume declined.


*March 28, 2012*

 **At the Postal Regulatory Commission:** The [Postal Regulatory Commission](#) today issued its [Annual Compliance Determination](#) (ACD) assessing the financial and service performance of the Postal Service in fiscal year (FY) 2011. While the Commission has determined the Postal Service to be largely in compliance with postal policies and the pricing requirements of the Postal Accountability and Enhancement Act (PAEA), the Postal Service's financial situation continues to deteriorate. "The Postal Service continues to experience severe financial losses, with improvement unlikely in the near future," said PRC Chairman Ruth Goldway. "We believe the information and analysis in this ACD can contribute to Congressional consideration of postal reform legislation." The Commission identified ten Market Dominant products with rates that did not produce sufficient revenue to cover attributable costs in FY 2011, creating losses of \$1.6 billion. Standard Mail Flats remains out of compliance as losses grew from \$577 million in FY 2010 to \$643 million in FY 2011. Periodicals also failed to raise revenue sufficient to cover costs, falling short by \$609 million. The Postal Service has met its service standard goals for single-piece First-Class Mail and Special Services. However, it did not meet service targets for the majority of Market Dominant products. The Intelligent Mail barcode system has not yet fulfilled its potential to measure service performance. Without improvement, the Commission will review its decision to allow the use of this hybrid system for service performance measurement.

 **Mobile Commerce and Personalization Promotion approved by the Postal Regulatory Commission (PRC)** On March 26, 2012 the Postal Regulatory Commission (PRC) issued an order approving the Postal Service's Notice of Price Adjustment for a 2012 Mobile Commerce and Personalization Promotion scheduled to run July-August 2012, with registration beginning May 1, 2012. The 2012 Mobile Commerce and Personalization Promotion will provide business mailers with an upfront 2 percent postage discount on Standard Mail® and First-Class Mail® letters, flats, and cards (presort and automation only) that include a two-dimensional (2-D) barcode or print/mobile technology that can be read or scanned by a mobile device. The barcode or similar technology must lead the recipient to either: (1) a webpage that allows the recipient to purchase a product or service on a mobile device, or (2) a personalized URL, which leads to a web page that is unique to an individual recipient. Best practices such as directional copy and mobile optimization are also required. More information can be found in the program requirements document that can be downloaded from RIBBS at: <https://ribbs.usps.gov/index.cfm?page=mobilebarcode>

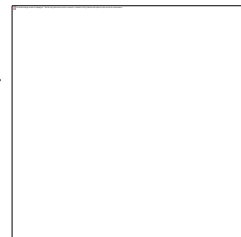
 **Reuters:** German postal services company Deutsche Post is considering listing its shares abroad to obtain a more diverse investor base.

 **The Guardian:** If you don't like the 60p stamp, wait till you see Royal Mail privatisation Royal Mail may be viewed with a high level of affection by the public now, but will that still be the case after it's privatised?

 **CNN Money:** Mass retirement is key to U.S. Postal Service plans to stem its financial bleeding. As the service moves forward on plans to close 223 postal plants, which could mean the loss of 35,000 jobs, it hopes to ease the pain with retirement packages to those who qualify. More than one out of every four career employees is now able to retire and another 100,000 reach retirement eligibility in the next five years.

 **Pushing the Envelope:** Guest Blogger Jessica Lowrance, Executive Vice President for the Association for Postal Commerce (PostCom) .

Today, the Postal Service offers an array of products that ultimately deliver a piece of mail from point A to point B. This original product has been sliced and diced to over 4,000 price points. From this price list, mailers pick the shape that best fits their mailing – a letter, flat, or

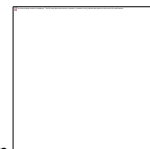




package. Next, the mailer chooses a class of mail (First-Class, Standard, Periodicals, or Package Services/Parcels) based on rules and regulations established by the Postal Service. The Postal Service further distinguishes classes of mail by delivery or service standards. Additional services are available to mailers that occur pre- or post-delivery, especially if the piece is found to be undeliverable. Eliminating the current concept of classes of mail is a natural step in streamlining operations and simplifying mail usage. From my perspective, it makes sense to adapt the product offering to how the USPS currently processes mail. Today, shape influences how a piece gets processed and which machines are used to move the mail through the system. This, then, affects how much it costs the USPS to process the piece and ultimately the price of the service.



[Pushing the Envelope](#): Guest Blogger Jeff Colvin, Director, U.S. Postal Service Office of Inspector General



You hear it all the time. Question: What company, facing a precipitous decline in demand for its product, would raise prices? Answer: A state-owned monopoly, with a mandate to meet a multi-billion dollar service obligation. Question: What company, losing billions a year, would not raise prices? Answer: A business facing such powerful multi-modal competition that its captive market is slipping away like time into the future. So the Postal Service, and the \$900 billion industry it supports is in a huge mess.

[Post & Parcel](#): The European Commission has handed out EUR 169m in fines to 14 international freight forwarders – including UPS, Kuehne + Nagel and Deutsche Bahn – for running a series of "price-fixing" cartels. Deutsche Post and its DHL subsidiaries escaped all penalties for being involved in the activities occurring from 2002 to 2007, as a reward for tipping the European authorities off to the actions of its cartel partners. Five other members of the four cartels also received reductions in their fines from 5% to 50% depending on the level of their cooperation in the Commission's investigation.

[Times of Zambia](#): Zambia Postal Services (ZAMPOST) has registered its micro finance company which will operate as Post Bank with an initial capital of K2.5 billion. The move is part of the company's diversification process it has embarked on to streamline and improve its operations.

[National Association of Major Mail Users](#): As someone who knows that mail plays a significant and relevant role in today's business transactions, we want to draw your attention to the new NAMMU blog. MailWorks will showcase the positive attributes of mail, the important elements of great campaigns and customer transactions, the powerful results of combining mail strategically with other media. Just go to [www.nammu.ca](http://www.nammu.ca) and join the conversation. We welcome your ideas as well as your comments on our posts. The NAMMU blog is intended to be engaging, informative, insightful and forward looking. What do you think? Check out a sample of what's in store in the NAMMU blog at [www.nammu.ca](http://www.nammu.ca).


[National Association of Letter Carriers](#): Should we call H.R. 2309 the Issa-Ross (So-Called) Postal Reform Bill—or could we realistically call it the Issa-Donahoe (So-Called) Postal Reform Bill? Today, during a hearing of the House Oversight & Government Reform Committee's Subcommittee on the Federal Workforce, Postmaster General Patrick Donahoe was asked by Rep. Justin Amash (R-MI) about Donahoe's support for elements of the service-destroying, job-killing Issa-Ross postal reform bill, H.R. 2309. In response, the postmaster general admitted that he supports "practically everything in the bill." *[EdNote: If "employees" of the Postal Service don't like the fate that H.R. 2309 would have in store, then let's see "employees" (MANAGEMENT & LABOR) take some real responsibility for rectifying the Postal Service's excessive human and physical infrastructure costs.]*





[From the Federal Register](#): **Postal Service RULES** New Product Offerings: USPS Package Intercept , 18707–18709 [2012–7356] [[TEXT](#)] [[PDF](#)]


[Reuters](#): **The U.S. bank industry, struggling to make the profits it used to, is using the struggles of another industry for its marketing: The U.S. Postal Service.** JPMorgan Chase & Co, Bank of America Corp, Citigroup Inc and Wells Fargo & Co are all using the looming threat of postal service cuts to sell bank services such as electronic payments and remittance pickups that can speed payments likely to be slowed by diminished mail service. "It is a conversation starter," said Daniel Peltz, head of Wells Fargo's Treasury Management division. For banks,


electronic transactions save as much as one-third of the cost of processing checks, according to industry estimates. The potential savings are greatest for bigger banks, which reap additional economies of scale by running more transactions through the computer systems they have built. Banks are looking for any chance to save money these days, as tough markets and a weak economy hit their profits, and traditional revenue streams dry up due to stricter regulations. [EdNote: Congratulations, Congress. Your waffling, partisanship, and indecision will make real a flight from the mail that didn't have to happen. Hope you have a plan to keep a viable postal system in place for those in the nation that need it.]


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


 Bring Citymail, the Swedish mail subsidiary of Posten Norge, is mired in failure.


 The planned postal reform led to a dispute in the Dutch government. The junior coalition partner, the CDA, called the implementation of the liberalisation of the Dutch postal market in 2009 an 'outright failure'. The party announced that it would only negotiate with the government over proposals like eliminating Monday deliveries, if the government is going 'to foster a level playing field and fair competition in the market'.

 A privatisation of Royal Mail in autumn 2013 is getting more likely.

 Brazil's ECT Correios again announced to recruit a huge number of new employees. On Friday last week the company prefigured to hire 13,727 new employees for almost all of its units.


 Hungary's regulatory authority approved Magyar Posta's expansion plans into the telecommunications market.


 Austrian Post plans to implement real-time surveillance of its posties in the course of the mail unit's restructuring programme.

 Brazil ECT Correios' express service especially geared to the needs of the e-commerce industry is developing bedazzling.





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.)


 [Dead Tree Edition](#): The U.S. Postal Service will offer retirement incentives if it is allowed to make cost-cutting moves like eliminating Saturday delivery, its CEO told a Congressional panel today. Rep. Dennis Ross, chairman of the House subcommittee overseeing postal legislation, stated that USPS needs to lose nearly 150,000 employees via attrition "to rightsize the expenditure side of the Postal Service." He asked Postmaster General Pat Donahoe whether he would offer employees retirement incentives to make that happen.


 [White House](#): **James C. Miller, III**, of Virginia, to be a **Governor of the United States Postal Service** for the term expiring December 8, 2017. (Reappointment). James C. Miller, III is a Senior Advisor at the international law firm Husch Blackwell LLP. Mr. Miller previously served as a member of the Board of Governors of the United States Postal Service from 2003 to 2011. He was Chairman of the Board from 2005 to 2008, as well as Chairman of the Audit and Finance Committee and a member of the Governance and Strategic Planning Committee. Earlier in his career, he was the Director of the Office of Management and Budget (OMB) from 1985 to 1988, and the first Administrator of OMB's Office of Information and Regulatory Affairs. Mr. Miller served as Chairman of the Federal Trade Commission from 1981 to 1985. He is a member of the Board of Americans for Prosperity and a Senior Fellow of the Hoover Institution at Stanford University and the Center for Study of Public Choice at George Mason University. Mr. Miller received his B.B.A. from the University of Georgia and his Ph.D. from the University of Virginia.





 [The Charleston Gazette](#): Sens. Jay Rockefeller and Joe Manchin, both D-W.Va., were among those Tuesday who voted not to force a final vote on reform legislation for the U.S. Postal Service. "I've repeatedly stressed that the Postal Service plan to close rural post offices is bad for West Virginia communities and will eliminate jobs," Rockefeller told The Charleston Gazette after Tuesday's vote. On Monday, the National Newspaper Association said Rockefeller might introduce an amendment to the bill that would raise mailing costs for newspapers and other periodicals by 5 percent each year until the Postal Service decided the increasing rates were high enough. Rockefeller stressed Tuesday he has not made any decisions about whether he will offer any amendments to the legislation..


 [Federal Times](#): The Senate took a surprise first vote on postal legislation today, with the result that it won't be trying again before mid-April. The bill is the 21st Century Postal Reform Act (S.1789); the vote, which came this afternoon, was on a procedural "cloture" motion to see if supporters could muster the 60 votes needed to move forward with debate. As it turned out, they couldn't. The motion picked up only 51 votes, with most Democrats voting in favor and most Republicans opposed. The Senate hadn't been expected to take up the bi-partisan bill until tomorrow at the earliest. Why lawmakers proceeded today was the subject of two schools of thought. By one reading, Sen. Joe Lieberman, I-Ct., and the measure's co-sponsors wanted to gauge the level of support as they keep negotiating with other lawmakers on crucial details. By another, majority Democrats simply wanted to get off debate on a separate measure to repeal oil and gas industry tax breaks because it was giving Republicans an opportunity to highlight high prices at the pump. Whatever the motive, the postal bill's backers may have some work to do.

 [KTVZ](#): Sen. Jeff Merkley, D-Ore., said Tuesday he will be offering an amendment to major legislation overhauling the U.S. Postal Service to save rural post offices now targeted for closure. Merkley's amendment would require that a post office closure cannot result in more than a ten mile distance between post offices, measured on roads with year-round access. The amendment is co-sponsored by Senators Mike Lee (R-UT), Jon Tester (D-MT), Max Baucus (D-MT) and Ron Wyden (D-OR).

 [Burlington Free Press](#): Sen. Bernie Sanders said he and other senators are making progress in terms of protecting rural post offices and limiting the number of mail processing plants to be shut down. Sanders, I-Vt., said he expects the number of processing centers designated for consolidation or closure to be somewhere between 100 and 150, rather than 223. Sanders said he and other lawmakers are working with Donahoe while trying to improve postal reform legislation before the Senate. Senate Republicans and some Democrats on Tuesday blocked a motion to advance the legislation, but the measure is expected to come up for another vote following the Senate's recess in April. Sanders and 26 Democrats, including Sen. Patrick Leahy, D-Vt., have called for "significant improvements" in the bill, including the creation of a commission to develop a new business model for the postal service that encourages entrepreneurship.

 [The Motley Fool](#): Why UPS pursued TNT. TNT has operations spread across Europe, with a major presence in countries such as Britain, France, Germany and the Netherlands. The European region accounts for a hefty two-thirds of the company's revenue. Given that the European economic uncertainty is unlikely to last long, this seems to be a good time to invest in the region. TNT holds a 9.6% share in the European express delivery market, which UPS aims to pocket with this acquisition. And if that's not enough, a significant portion of TNT's top line is also derived from fast-growing markets such as China and Brazil. UPS can now definitely look forward to gaining a strong foothold in these Asian and Latin American markets.

 [Associated Press](#): Greeting card industry shaken after UK postal charges rise to record high.

 [The Telegraph](#): Millions of people will be forced to abandon next-day delivery services after Royal Mail raised the price of a first-class stamp from 46 pence to a record 60 pence, consumer groups have warned.


*March 27, 2012*





[Federal News Radio](#): The Postal Service's plan to withdraw from the federal health insurance program and set up its own health program for postal employees and retirees faced skepticism


from lawmakers.

 [Logistics Management](#): Driven by a rebound in trade activity between the United States and Asia-Pacific, express delivery and logistics services provider DHL announced this week it has rolled out a new around the world flight, which connects Hong Kong, Los Angeles, and Leipzig. Company officials said this new flight will "create a unique service proposition on key trade lanes between Asia, and Western U.S. and Canada." And they added that its Asia-based locations, including Singapore, Kuala Lumpur, Bangkok and Manila and various China-based cities will benefit from next-day connection into Los Angeles and much of Western U.S. and Canada. What's more, they said this represents the first time that shippers in many Asian cities will have access to a one-day express delivery service with any carrier on this intercontinental lane.

 [Reuters](#): EU antitrust regulators are set to fine 13 logistics firms, including UPS, Panalpina and Expeditors, on Wednesday for taking part in a cartel, two people familiar with the matter said on Tuesday. A European Commission document seen by Reuters also confirmed that a decision and fines would be announced on Wednesday. Deutsche Post unit DHL Global Forwarding, which took part in the cartel but alerted the regulator to the collusion, will escape a financial penalty, the people with knowledge of the case told Reuters. The company confirmed this. The European Commission charged the firms in February 2010 with fixing prices in the air freight forwarding business, in breach of EU antitrust rules. The charges followed raids on the companies three years earlier.

 [The Hill](#): Republicans on Tuesday voted to prevent the Senate from moving off Democrats' pending bill that would levy about \$24 billion in additional taxes on the domestic oil industry. Minority Leader Mitch McConnell (R-Ky.) engineered the coup, surprising Democrats by urging his GOP colleagues to oppose a motion to turn to the bipartisan 21st Century Postal Service Act. McConnell said he wanted the Senate to continue debate on the oil tax bill, which he, and most Republicans oppose. Following McConnell's floor comments the Senate voted down the cloture motion on the postal reform bill, 51-46. Thirty-nine Republicans and seven Democrats voted to keep the legislation from the floor. Despite the postal reform bill's failure on Tuesday, it is likely the Senate will take it after the break which is set to begin on Thursday or Friday.


 [Government Executive](#): The U.S. Postal Service's proposal to withdraw from the Federal Employees Health Benefits Program is likely to be included in legislation due for debate on Capitol Hill next month, but lawmakers on both sides of the political spectrum remain skeptical that it would solve the cash-strapped agency's fiscal woes. USPS claims that leaving FEHBP and providing its own employee and retiree health benefit plan would save \$7 billion annually and eliminate the need for further scheduled prefunding of retiree health benefits. Even if lawmakers adopt the Senate's proposal and eliminate USPS' prefunding requirement entirely, the Postal Service still would want to withdraw from FEHBP, Donahoe told reporters. Rep. Darrell Issa, D-Calif., chairman of the full committee, said he would "probably support" the Postal Service's health plan proposal but had reservations. He said the agency's contention that it could generate \$60 billion in revenue in 2015 with all the reforms in its five year business plan was a "rosy" scenario. "Let's have no illusions, you're just cost shifting," Issa told Donahoe. "There's no cost savings to the American people. The money will be paid out of one hand in order to save it in another hand."

 [Daily Press](#): U.S. Sen. Carl Levin, D-Detroit, said he plans to introduce an amendment to a postal bill to try to block the U.S. Postal Service from closing post offices or mail processing centers while an appeal is pending.

 **The vote in the Senate to invoke cloture to facilitate floor consideration of S. 1789 has failed.** The vote was 51-46. After the vote, [Sen. Thomas Carper](#) said the following:


"I was disappointed that today the Senate fell short of the number votes needed to begin debate on our bipartisan postal reform legislation. I don't think this vote accurately reflects Senators' feelings on the legislation, though. In fact, it's clear that the bill enjoys support from Senators on both sides of the aisle who recognize that we must act quickly if we hope to save this American institution. I am heartened by the fact that both the Democratic and Republican leaders of the Senate spoke on the floor in favor of moving forward with debating postal reform in the near future, and I look



forward to the Senate considering this legislation after we return from the April District work period. At the end of the day, we have to act quickly if we want to save the Postal Service and the more than 8 million American jobs that depend on it."


 [House Committee on Oversight and Government Reform](#): Hearing, 10 a.m., Tuesday, March 27, 2012, 2154 Rayburn House Office Building -- "**Can A USPS-Run Health Plan Solve Its Financial Crisis?**" Witnesses: Mr. Patrick Donahoe ([testimony](#)) Postmaster General and CEO United States Postal Service Mr. Walton Francis ([testimony](#)) Author and Federal Health Care Expert [[Summary of testimony highlights.](#)]


 *At the Postal Regulatory Commission:*


- [USPS Preliminary Financial Information \(Unaudited\) February 2012](#)
- [N2012-1 : Transcripts](#)


 [Post & Parcel](#): The leading union in the United States for mail carriers yesterday called on US Senators to vote against the postal reform bill expected to reach the Senate floor soon. The National Association of Letter Carriers, which represents 284,000 USPS letter carriers, wrote to Senators calling S.1789 – the 21st Century Postal Service Act – a "fatally flawed" bill. Frederic Rolando, the NALC president, said the proposals from Senators Joe Lieberman, Susan Collins, Tom Carper and Scott Brown was a "well-intentioned Band-Aid that does too little to address the Postal Service's most serious problems".


  [Orlando Business Journal](#): Should TNT cancel the merger, make certain breaches or get a third-party offer that is 8 percent higher than UPS's and the TNT board views it as a better deal, TNT would have to pay UPS a \$64.4 million termination fee. UPS would have to pay TNT a \$265.5 million reverse termination fee if UPS ended the merger due to failure to consummate the deal, made certain breaches or failed to get certain regulatory approvals.


 [Wall Street Journal](#): Lots of folks are fretting over how to save the U.S. Postal Service, but retirees here in central Florida's citrus country are really pushing the envelope. There is heavy pressure in Nalcrest, a rambling retirement community that is its own little town, to use the U.S. mail, rather than email or competing shipping companies, to pay bills and mail parcels to the grandkids. "We say...it's got to come through the U.S. mail or we don't want it here," said Matty Rose, 67 years old, manager of Nalcrest. One can't blame the town. Seventy miles east of Tampa, it's the nation's only haven solely for retired postal service mail carriers.


 [Washington Post](#): By the end of Tuesday, senators likely will determine whether to keep fighting over gas prices — something both sides might want — or they may move on to fixing the U.S. Postal Service, a less politically advantageous issue that Democrats anticipated spending most of this week discussing.


 [ITV News](#): Ofcom has said that the sustainability of UK's postal service is at severe risk. It said that consumers and businesses switching to email and online services is to blame.


 [Financial Post](#): Other countries' experiences in privatization or deregulation may serve as a useful guide for Canada Post's future. The evidence is consistent: Liberalization improves performance. Deregulating and privatizing postal operators has had a salutary effect on costs, and service has generally improved.


 [BBC](#): "Q&A: Stamp price rise explained"


 [London Evening Standard](#): The price of a first-class stamp is to soar by almost a third from 46p to 60p next month. Royal Mail unveiled the shock rise after it was given the green light to set its own prices by regulator Ofcom. Second-class stamps will go up from 36p to 50p. The rises are the biggest in cash terms in the service's history, although there were bigger percentage rises during the Second World War and in the mid-Seventies.


 [National Association of Postal Supervisors](#): It looked like a cinch that postal reform would be coming to the Senate floor this week. Now it doesn't. That's because Senate lawmakers on both sides decided Monday that they'd rather score points telling their constituents back home over the approaching two-week recess what they've done to bring down gasoline prices, rather than what they did to save the ailing Postal Service.


 [Dead Tree Edition](#): The U.S. Postal Service plans to provide a "soft landing" for employees affected by downsizing and is looking for ways to avoid closing rural post offices, the Postmaster General will testify Tuesday.


 [Postal Technology International](#): Poste Italiane and the UPU have signed an important cooperation agreement worth Euro 500,000 to cover the cost of setting up and launching the .post platform this year.


 [Daily Monitor](#): Private postal operators have questioned the motives of the Uganda Communications Regulatory Authority Bill, arguing that it will negatively affect their businesses as it comes with unrealistic controls which threaten clients' rights and freedoms. This new bill seeks to regulate broadcasting, telecommunication and postal service providers by creating one governing body, the Uganda Communications Regulatory Authority, which replaces both Uganda Communications Commission (UCC) and the Broadcasting Council. One article in this bill gives the director general of the regulatory authority powers to examine private mail by post if the Authority believes that the articles contain 'prohibited subject matter' or items that may be deemed threatening, obscene or of 'grossly offensive character'. This to some postal operators is unacceptable.


 [Federal Times](#): Postmaster General Patrick Donahoe will testify Tuesday that the U.S. Postal Service could save nearly \$7 billion in the first year of running its own health care plan, largely through eliminating the need to prefund retiree health benefits. But a leading federal health care expert will blast the Postal Service's plan as unrealistic and disastrous. Walt Francis, who writes the annual Checkbook guide to health plans, will say the Postal Service would "massively disrupt or destroy" the Federal Employees Health Benefits Plan by withdrawing nearly a quarter of the 8 million enrollees in the federal government's employee health care plan, according to his written testimony to the House Oversight and Government Reform Committee. And it could drive the Postal Service's own costs up by at least \$1 billion a year, Francis says. The committee posted the written testimonies of Donahoe and Francis online on Monday.


 [Enhanced Online News](#): GrayHair Software, Inc., known for its industry-leading services for business mailers, announces the launch of a new division, GrayHair Advisors™. This team of leading mailing industry experts is a source for strategic and tactical consultation on postal marketing and operations issues. It helps clients adapt quickly and cost effectively to new postal rules, take advantage of every available postal-rate discount and incorporate best practices in mailing and postal network integration. Collaborating with clients' in-house teams, the new division baselines existing operations, diagnoses problems and addresses particular issues in mailing and postal network integration. GrayHair Advisors partners with specialists in related areas, who provide expertise and solutions for international addressing and logistics, database marketing architecture, and business and process engineering. The division also employs GrayHair Software's vast wealth of postal data and experience to ensure successful outcomes for clients. Jody Berenblatt, Senior Advisor, stated, "GrayHair Advisors focuses on what works best for the business client. We are supplier agnostic, recommending software and hardware solutions from any and all suppliers, always selecting the product that produces the best results in a particular situation."

 [Federal Times](#): The great Senate debate on postal overhaul legislation ain't happening—definitely not today and possibly not until mid-April, after lawmakers return from a two-week spring break. Instead, the Senate is likely to lock horns for a while on a bill to repeal oil and gas industry tax breaks. That's not what many folks were expecting. In fact, dickering on the postal measure sponsored by Sen. Joe Lieberman, I-Ct., was reportedly continuing as late as this morning. The plan was this: Late this afternoon, the Senate would first take a procedural vote on whether to debate the oil and gas tax repeal legislation. That motion would fail in the face of Republican opposition and lawmakers would move on to the postal bill. But Republicans—deciding that they would love the chance to talk about energy when gas is around \$4-a-gallon—voted in favor of going ahead with the oil and gas legislation.


 [Charleston Gazette](#): **Sen. Jay Rockefeller, D-W.Va., is planning to introduce an amendment** to a federal postal reform act **that would raise mailing costs for newspapers and other periodicals by 5 percent a year** -- until a point when the United States Postal Service decides those increased rates are high enough.


 [Daily Mail](#): A stamp price revolution could be triggered today when Ofcom publishes its decision about the cost of first-class postage. In a long-awaited decision, the postal regulator could give the green light for Royal Mail to charge as much as it wants for a first-class stamp.

 [The Hill](#): A Senate procedural vote on postal reform, which lawmakers and aides expected as soon as Monday, likely will occur in the middle of the week, according to senior staffers in the chamber. The latest hang-up for the Senate's bipartisan postal reform bill comes as Republicans are poised to support a Monday procedural motion that would allow the Senate to debate a measure that would end tax breaks used by the oil industry. With hours of debate now expected on the oil bill, **aides say they expect the Senate to finish consideration of the postal measure after lawmakers return to Washington in mid-April from a two-week recess.** Interested lawmakers had hoped to move more quickly on legislation that would aid the Postal Service, which has seen a drop in mail volume and sustained billions of dollars in losses in recent years. But **the bill from Sens. Joseph Lieberman (I-Conn.), Susan Collins (R-Maine), Tom Carper (D-Del.) and Scott Brown (R-Mass.) has faced resistance from some colleagues.** Lawmakers also face something of a time crunch on postal reform, with the Postal Service able to move forward with plans to potentially close thousands of local post offices and scores of mail processing centers on May 15. USPS had implemented a moratorium on closing facilities at the request of Democratic lawmakers, who wanted time to hash out legislation overhauling postal operations. "This impending deadline will serve as a reminder to lawmakers of the urgency of passing a comprehensive reform bill before that deadline if they want to prevent the Postal Service from having to pursue even less desirable measures without Congressional input – such as closing hundreds of processing facilities and post offices – to save money," the aide with knowledge of postal negotiations said. Any legislation the Senate passes would almost certainly have to be reconciled with House legislation to become law.

 [PRNewswire](#): Fredric V. Rolando, president of the National Association of Letter Carriers (NALC), has formally called on the U.S. Senate to reject S. 1789 -- the 21st Century Postal Service Act -- because as currently drafted, it provides only short-term fixes. He said that while the measure "might provide resources to allow the Service to limp along for a few more years, it will not change the downward trajectory of this vital institution." In a letter sent today to each U.S. senator, Mr. Rolando stated, "S. 1789 appears to be based on the Postal Service's dangerously misguided business strategy, which relies almost exclusively on reducing the quality and value of its services to households and American businesses, the main users of the mail." He added that it risks driving away customers and thereby reducing revenues. To read the letter, click here: [http://www.nalc.org/downloads/fvr\\_senate-letter-03262012-FINAL.pdf](http://www.nalc.org/downloads/fvr_senate-letter-03262012-FINAL.pdf)


*March 26, 2012*

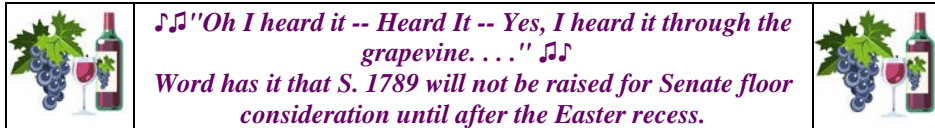
 [New York Times](#): The Federal Trade Commission on Monday called for greater regulation of the data collection companies that compile a wide range of personal and financial information about millions of consumers, and asked for a provision that would allow people access to the information collected on them.

 [Forbes](#): Many see a battle between Amazon and Apple looming in the future. But I think the retailer's main competitors will be men in shorts: logistics companies like UPS and FedEx. Amazon is at a crossroads. The company garners billions a year in revenue from selling e-books, household items and vacuuming up rising retailers like Zappos. Retailing, though, can be a difficult single-digit margin business. As a result, Amazon has invested heavily in its back-end systems to cut operational costs. It also provides logistics services for third party retailers that use the site as its electronic mall. Third party shipments came to 36 percent last quarter, up from 30 percent in the same year before. Amazon gets a commission that comes to approximately ten percent. And that is where the conflict comes in. Companies usually can adopt one of two strategies: sell products to consumers or sell products and services to other businesses and make them beat each other up trying to reach consumers.

 [At the Postal Regulatory Commission](#): [Docket No. R2012-6](#) "Order Approving Market Dominant

Price Adjustment" *"It is ordered: 1. The Commission approves the proposed market dominant price adjustment set forth by the Postal Service in its Notice dated February 21, 2012. 2. The Postal Service shall report, no later than 90 days following the close of the 2012 Promotion period, on the volume and gross discount awarded to each type of product."*

 C-Span did a broadcast today featuring Fred Hochberg, President & CEO of the U.S. Ex-Im Bank. Fred is a former member of the PostCom Board of Directors.



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

The minutes of the most recent meeting of the Postmaster General's Mailers Technical Advisory Committee (MTAC) have been posted on RIBBS under the Important Links box - the following URL will take you directly to the minutes.

[https://ribbs.usps.gov/mtac/documents/tech\\_guides/MTAC0212/](https://ribbs.usps.gov/mtac/documents/tech_guides/MTAC0212/)





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


**Week four of our "Five Elements of a Postal Solution" blog series: What is the appropriate pricing regime for the Postal Service?** The U.S. Postal Service has over 8,000 domestic prices for its three primary product lines. Should the Postal Service redefine pricing in support of a lean and simple national infrastructure? Join our guest bloggers, **Jessica Dauer Lowrance, Executive Vice President for Postal Commerce**; Jeff Colvin of the USPS OIG; and John Waller, consultant on postal and regulatory issues, as they share their ideas throughout the week. Join the conversation and share your ideas on our [blog](#). New audit projects have been started on the external website.


- **[Biohazard Detection System Progress – 12YG020DA000](#)**. In this audit we plan to follow-up on the recommendations from a previous Biohazard Detection System project that was conducted following the anthrax contamination of the mailstream after the September 11, 2001 terrorist attack. (DA-MA-02-001, issued 9/24/02). According to the prior report, the Postal Service remains vulnerable to a number of different pathogens, and a large portion of the postal mail stream (i.e. packages and bulk mail) is not screened. Our objective is to assess current BDS operations and the Postal Service's progress in updating biohazard detection.
- **[Opportunities for Postal Service Partnerships with Other Government Agencies – 12YG019DA000](#)**. This audit is a follow-up to the previous Opportunities to Share Excess Resources project that was part of a series of reports addressing the 21st Century Post Office. (DA-MA-12-003, issued 2/9/12) Our objective is to evaluate the opportunities for the Postal Service to partner with other government agencies. We plan to assess the level of interest by governmental agencies and the demand for partnerships with the Postal Service. Also, we will identify agencies that could most improve coverage in specific areas by offering services at local Postal Service facilities.
- **[Information Technology Data Usage – 12RG025IT000](#)**. This audit is part of a series of audits related to how the Postal Service uses data to manage its operations. It is the intent of the Postal Service to provide data availability and to comply with business requirements for the creation or collection, processing, storage, maintenance, retirement, and disposal of information. Data management consists of acquiring data from disparate sources and positioning it for appropriate access by business applications and authorized users. Postal Service corporate data acquisition service collects data from operational systems and makes it sharable corporate-wide to target systems such as the enterprise data warehouse (EDW) and other data stores. EDW is a single repository for managing Postal Service's data with reporting capabilities. The purpose of our audit is to determine whether data is available and utilized within the Information Technology (IT) organization to support the Postal Service in achieving its strategic and operational goals.





 **Mashable**: As with any high-profile product release, Apple's new iPad device has been peppered with complaints since reaching consumers' hands on March 16. Among them: that magazines look terrible on the iPad 3's high-resolution display. The New Yorker and other Conde Nast title have taken the heat for looking poor under the new display, but they're not alone. Titles from other magazine publishers -- we looked at Time magazine and Sports Illustrated from Time Inc., and at Esquire and O: The Oprah Magazine from Hearst -- all suffered from the same problems. Magazine readers need not despair about the appearances of their magazines for too much longer, as publishers are working to optimize their editions. The fix is relatively simple: publishers will have to increase the resolution of their image and video files, and export their digital editions as PDFs. iPad 3 owners will have to suffer longer download times, and won't be able to store as many magazines on their devices as iPad 1 and 2 owners, but that's the price one pays for a visually stunning reading experience, no?


 **TechCrunch**: One more sign of the mobile money space continuing to grow up: some significant consolidation underway. Today, the UK-based mobile banking specialists Monitise announced that it is buying Clairmail, a U.S.-based competitor, for \$173 million, as part of its global expansion. The combined group says it will serve 13 million customers world-wide processing some \$10 billion of payments weekly, and will give Monitise a much bigger and direct presence in the North American market: one-third of the top 50 U.S. financial institutions are now clients of the group. Monitise and Clairmail both focus on an "infrastructure" play around mobile banking and mobile payments. Their main business is in providing the backend to let banks and other financial institutions offer mobile banking, payment and shopping services to its customers.


 **Ars Technica**: The Web is a powerful publishing platform, but HTML still has some weaknesses as a medium for presenting written content. Browser vendors and other stakeholders are working to remedy those weaknesses by improving the Web's native support for print-quality typography and text layouts. Adobe is making significant contributions to that effort. A new set of CSS features for advanced text layouts that Adobe developed and proposed for standardization last year are beginning to gain traction. The company's CSS Regions proposal defines a system for creating magazine-style text layouts in Web content. The feature allows Web developers to specify that a single body of text should flow through certain regions of the page. For example, you could create several div elements in a specific arrangement and have the overflow text fill those consecutively. Another feature proposed by Adobe, called CSS Exclusions, makes it possible to have inline text automatically wrap and flow to conform with a specific shape.


 **PRWeb**: Swiss Post Solutions, Inc. (SPS), a premier outsourcing and digitization solutions provider, announces the opening of a corporate office and secure document processing center in Toronto, Ontario, its first in Canada


 **Canada NewsWire**: In a paper published today by The School of Public Policy, Professors Edward Iacobucci and Michael Trebilcock identify Canada Post as a front-runner for privatization. The authors contend that state-owned enterprises are not necessary in some circumstances. An obvious case for full privatization is in the case of postal delivery in Canada. "The economic case is clear: there are no apparent market failures in mail delivery that invite state ownership, and comparative experience with privatizing the mail system suggests potential for service and cost improvements," the authors argue. However, the authors concede that the idea of privatizing Canada Post is contentious thanks to arguments by those "who have a clear political agenda" like the Canadian Union of Postal Workers. In some other cases, partial privatization should be considered such as the Export Development Corporation and the Business Development Bank of Canada. Iacobucci and Trebilcock highlight several alternatives to full-scale state ownership as means for regulating industry. These include regulation through governmental departments and agencies, self-regulation, taxes and subsidies.


 **Federal Times**: Sen. Susan Collins, R-Maine, drew plenty of attention last week for her speech on postal issues. Since news outlets couldn't excerpt much more than a fraction of what she said, FedLine thought it might be worthwhile to post the entire address, both as prepared and as Collins actually delivered it on the Senate floor, according to materials provided by her office. The first version is on the left; the second on the right.


 **ERR**: The national postal service Eesti Post will put 100 of its five-year-old cargo vans up for sale in April, a move the company says is designed to make its fleet more economically sustainable.


 [RT](#): Internet payment system PayPal is linking up with Russian Post to broaden its appeal in Russia. Owners of the new cards will also be able to withdraw money from ATMs. Russian Post aims to issue up to 200,000 cards a year. PayPal entered the Russian market in 2006, allowing Russian consumers to tie up their debit or credit cards to its account and buy at eBay international auction. Last year the company widened its operations by allowing Russian subscribers to pay money into their Russian accounts, opening up the ability to sell goods through eBay. Back then, in 2011, PayPal allowed to remove revenues, but only to a US bank account. PayPal is owned by eBay. See also [RIA Novosti](#).

 [Financial Times](#): Privatising Royal Mail will be one of the stiffest tasks in the 500-year history of the world's oldest postal service. In its Victorian heyday it was envied worldwide for speed and reliability and was vital to Britain's industrial prowess. During the past decade, Royal Mail has suffered management crises, evaporating profits and industrial strife. A fightback has been taking place, however, first under Allan Leighton and Adam Crozier, and now under Moya Greene, the chief executive hired from Canada Post. Like other postal operators, Royal Mail is striving to modernise fast enough to keep pace with loss of letters traffic to electronic media.


 [Financial Times](#): The coalition government aims to begin the privatisation of Royal Mail by selling or floating at least part of it in autumn 2013 if the state-owned postal operator's finances continue to improve. The sell-off would be Britain's most ambitious privatisation since John Major broke up and sold the railways in the 1990s. Analysts think Royal Mail could be worth up to £3bn-£4bn.

 [Times Argus](#): The U.S. Senate today plans to take up a bill to reform the U.S. Postal Service. U.S. Sen. Bernie Sanders (I-Vt.) has led a group pressing for stronger language to save rural post offices and mail processing plants, maintain robust delivery standards and Saturday delivery, and save tens of thousands of jobs.


 [New York Times](#): Wine wholesalers and amateur beer makers want Congress to repeal a law that makes it illegal to ship alcohol by mail. Giant insurers like Aegon of the Netherlands want to make sure that the United States Postal Service stays out of the insurance business. And medical supply companies like Medco oppose the post office's plans to cut Saturday delivery, saying the move would delay medicines and could add to the cost of mail-order drugs. As Congress begins work this week on legislation to shore up the finances of the debt-ridden post office, companies representing a cross-section of American business are spending millions of dollars lobbying lawmakers to oppose or support various proposals to keep the agency afloat. In total, lobbying disclosure records show that companies and unions with a stake in a postal overhaul have spent nearly \$300 million in the last three years as the financial condition of the post office has worsened, though it is not known how much of that was spent specifically on postal issues.


 [Washington Post](#): The Senate embarks this week on one of the most politically treacherous issues it will face this year: What to do about the future of the U.S. Postal Service. The debate over USPS's future is poised to pit lawmakers from smaller, rural states against colleagues from larger, more urban areas. It puts close friends Sen. Joseph I. Lieberman (I-Conn.) and Sen. John McCain (R-Ariz.) on opposing sides and sets up labor unions and business groups with vested interests in mail delivery against the reality that more Americans today rely on the Internet than on envelopes and stamps. The Senate plans to hold a cloture vote Monday to proceed to debate on a bill cosponsored by Lieberman and Sens. Thomas R. Carper (D-Del.), Susan Collins (R-Maine) and Scott Brown (R-Mass.) that would permit the end of Saturday mail deliveries, the closure of thousands of post offices and hundreds of processing centers, allow USPS to raise stamp prices beyond the rate of inflation and explore new business opportunities. In recent days, aides said the bill's provisions protecting some rural postal locations have been strengthened in order to avoid objections to the bill by Sen. Bernie Sanders (I-Vt.) and senators from other rural states. McCain supports a competing proposal backed by House Republicans that permits most of the proposed operational changes, but would also establish a financial control board to revamp USPS finances.


*March 25, 2012*


 [Wall Street Journal](#): Japan's ruling and opposition parties have come together to find rare common ground in rolling back some parts of landmark 2005 legislation to privatize Japan Post, the nation's postal service that also happens to be the world's largest bank. The initiative could clear the way for the government to sell shares in Japan

Post, raising money for Tokyo to help finance the estimated ¥13 trillion (\$158 billion) needed over the next five years to rebuild from the March 2011 earthquake, tsunami and nuclear-plant crisis. Japan's two main opposition parties, the Liberal Democratic Party and the New Komeito, said they will put forward draft legislation, which was quickly backed by the ruling Democratic Party of Japan, virtually ensuring passage.

 [Cleveland Banner](#): Amazon offers the world's biggest selection of merchandise, but the warehouse and distribution center is filled not only with Amazon products, but also items belonging to other sellers who use Amazon's fulfillment service. Read more: [Cleveland Daily Banner - Inside Amazon com Bradley operation center handles larger merchandise](#) The local fulfillment center employs more than 450 full-time associates. Including a smaller fulfillment center in Lebanon, Amazon has three locations in Tennessee with another site in Lebanon and one in Murfreesboro coming in the future. Read more: [Cleveland Daily Banner - Inside Amazon com Bradley operation center handles larger merchandise](#)


 [Philadelphia Inquirer](#): UPS is the world's largest transportation company, and the Philadelphia facility - second in size only to Louisville - handles 70,000 parcels and documents per hour. That number reaches 95,000 at peak times like Christmas, with parcels headed to and from 18 states, as far west as California.

 [Leadership](#): The Nigerian Postal Service (NIPOST) has urged governments, corporate bodies and individuals to patronise its services, including cargo delivery, for safety and efficiency.


 [Atlanta Journal Constitution](#): It's been more than a year since UPS stopped asking and started telling. No longer does the Sandy Springs company prompt customers to consider what brown can do for them. Instead, in its ads, UPS professes its love for the business that pulls its myriad pieces together: logistics. The \$6.77 billion purchase of Dutch package delivery company TNT last week — UPS' largest-ever acquisition, by fivefold — is another piece of the puzzle that helps the company handle the cross-continental movement of goods, from packages to pallets. But it's also a steppingstone toward UPS' goal of providing customers a comprehensive range of solutions that go beyond simply delivering items. The newest tag line — "We [heart] logistics" — and catchy jingle just push the logistics piece to the forefront.


 [National Association of Postmasters of the U.S.](#): "Senate Finally Ready to Move on Postal Bill."


*March 24 2012*

 [The Daily Yomiuri](#): After a long difficult spell, a review of postal service reform has begun to move toward reality. The DPJ-LDP-Komeito draft agreement calls for post offices to be required to provide customers with the three services of postal, banking and insurance in an integrated manner. The envisioned integration of services is expected to do away with operational barriers, making post offices more convenient to use. Both the ruling and opposition parties should push ahead steadily with Diet deliberations on the revision bill for its early passage.


 [PostalReporter News Blog](#): NAPUS Board Prepares to Deal with Tough Issues.


 [Tampa Bay Times](#): Loss of postal contract has Hallmark in Palm Harbor packing it up after 20 years. At the end of the day Friday, Mike and Sandra Everall, owners of Char's Hallmark, will close the door of their business for good. The U.S. Postal Service is terminating its relationship with Char's, which has been a mainstay at the shopping center for about 20 years. However, more than a convenient place to buy stamps will be lost when the business closes. On Jan. 23, the Everalls were **notified by letter from a U.S. Postal Service office in Colorado that their relationship with the USPS as a contract postal unit, commonly called a CPU, was ending. The reason was "a result of an agreement with the American Postal Workers Union," the letter stated.**


 [BBC](#): Guernsey Post has ended its Saturday deliveries in a move that it said would allow it to make "necessary savings".

 [Federal Times](#): For those keeping track of the three-ring show known as U.S. Postal Service labor negotiations, the National Postal Mail Handlers Union reports that a federally appointed mediator is now in place to help the two sides settle on a new contract. The mediation process can take 60 days; if it fails, the next step will likely be binding arbitration. An impasse was declared in late January in the Postal Service's contract talks with both the mail handlers union and the National Association of Letter Carriers. The NALC announced the appointment of a mediator last month. "We're working hard," President Fredric Rolando said in a statement today. "We're committed to reaching an agreement through the mediation process." But the National Rural Letter Carriers' Association is already in arbitration. In an update posted earlier this month on its web site, the NRLCA reported that both sides had concluded their introductory cases before a three-member arbitration panel.

 [From the Federal Register](#): **Postal Service RULES** Bylaws of the Board of Governors , 17333–17334 [2012–7098] [\[TEXT\]](#) [\[PDF\]](#)

 [Government Executive](#): U.S. Postal Service officials say a research firm used a "seriously flawed" methodology in a study that concluded mail service cuts would cost USPS billions in revenue, but the agency would not reveal details of that methodology. An outside firm conducted the market research survey, and asked USPS' largest customers how the closures would affect business. USPS said the survey was flawed because it "asked respondents about a scenario that would never be implemented at the same time." A staff member with Rep. Gerry Connolly, D-Va., isn't buying USPS' argument. "I think it's pretty clear that the results started to come back and USPS didn't like the results because they would be very inconvenient for them," the staffer told Government Executive. The staffer also noted the study's timing: two key USPS reform bills should see action next week after being stalled in committee for months. The GOP-favored 2011 Postal Reform Act, which requires USPS to reduce mail delivery from six days a week to five, will move to the House Rules Committee next week, where lawmakers will vote on whether to allow some of the bill's provisions to be expedited.

 [Memphis Business Journal](#): In a Securities and Exchange Commission filing Friday, Atlanta-based UPS revealed more details about the proposed merger, including charges either company could incur if the merger doesn't go through. According to the filing, should TNT cancel the merger, make certain breaches or get a third-party offer that is 8 percent higher than UPS' and the TNT board views it as a better deal, TNT would have to pay UPS a \$64.4 million termination fee.


 [Fox Business](#): United Parcel Service Inc. (UPS) confirmed Friday that its planned \$6.8 billion acquisition of TNT Express of the Netherlands will mandate the sale of TNT's small airline, TNT Airways, before the deal closes. UPS said European Union rules against foreign ownership of an airline prevent it from being included in the deal.


## PostCom Webcast




*Live from the National Postal Forum! Coming to you live from the floor of the National Postal Forum in the Gaylord Community Center. Look for the link to the live webcast on **April 2** and **April 3** on this website.*


*March 23, 2012*


 [Royal Gazette](#): New Bermuda postal fees are set to come into force on April 1 with some prices going up by as much as 25 percent.


 [The Daily Beast](#): If you blinked, you probably missed it. Along with an unseasonal thaw and an early explosion of cherry blossoms, March brought an unexpected burst of bipartisan productivity in Washington. But the soft air of


semi-moderation ended with a thud Thursday after House Republicans spiked the Senate's bipartisan transportation bill and, for good measure, passed a partial repeal of President Obama's health-care law. For anyone keeping hope alive for a longer détente, Senate Majority Leader Harry Reid put those thoughts to rest Thursday morning when he ripped the House GOP as "a big, dark hole" for scuttling the Senate's two-year renewal of the transportation bill, which funds road and bridge projects and expires this month after eight extensions. Majority Leader Eric Cantor made the House GOP mindset very clear later in the day, saying that America is just plain broke. "It's an election year," said a GOP Senate aide. "There is zero sense that anything else is going to happen."


 [Post & Parcel](#): Europe's cross-border letter mail services met EU quality targets for the 14th consecutive year in 2011, the International Postal Corporation said today. Its annual test results found that last year 93% of international priority and first-class letters were delivered within three days of posting and 98.1% within five days. The achievements surpassed the European Union's targets for 85% of intra-EU mail delivery to take place within three days of posting and 97% within five days.


 [Inquirer News](#): The Philippine Postal Corp. (Philpost) yesterday lashed back at protesting workers seeking the ouster of Postmaster General Josefina de la Cruz, saying they were not even from the agency's recognized labor union. "We will deal with the accredited union which is the PhilPost Employees Union of the Philippines," PhilPost information officer Marc Laurente told the Inquirer a day after members of the PhilPost Workers Union (PWU) and the Philpost Rank and File Employees Association (Prafea) staged mass actions against De la Cruz. "The PWU and Prafea do not even represent one percent of our employees," Laurente said. "Not all of them are even our employees."

 [Post & Parcel](#): Politicians have been calling on the Dutch government to intervene in the postal market within the Netherlands to encourage more competition. During a consultation process on postal reform proposals, the Christian Democratic Appeal (CDA) party, currently a minor coalition partner for the government, described liberalisation in the Dutch postal market since 2009 as a "complete failure". Party spokesman Ad Koppejan said on Wednesday that what should have been a free market with several players competing against incumbent PostNL has ended up as a virtual monopoly.


 [The Yomiuri Shimbun](#): The Liberal Democratic Party and New Komeito have agreed to jointly submit a bill to revise the postal Privatization Law in the current Diet session, sources said. The bill would merge the Japan Post Service Co. and Japan Post Network Co., reducing the number of companies in the Japan Post Group from five to four. As the ruling Democratic Party of Japan agreed to the bill's submission on Thursday, it is now virtually certain the revision will be realized during the current Diet session.


 [SYS-CON Media](#): Zumbox, the American digital mail start-up, has changed its overseas strategy. Rather than try to involve the local postal operator - as it has once with New Zealand Post - it's going to go it alone. It's starting in Australia where its wholly owned licensing arm, Zumbox Software Inc, has just climbed in bed with two big publicly traded mail outsourcers to create a joint venture called Digital Post Australia (DPA) that will offer consumers a way to get their paper mail electronically. Digital Post Australia is supposed to be the first digital postal system in Australia.

 [National Association of Letter Carriers](#): S. 1789 could come up Monday: An amended version of S. 1789 – which the NALC has not yet seen – appears headed for consideration on the floor of the Senate as early as Monday. Based on what little we know right now, the expectation is that the amendments still do not go far enough toward addressing the major problems we have with this deeply flawed legislation. The NALC is prepared to mobilize members to oppose any measure that includes language jeopardizing a day of mail delivery service.

 [Courier, Express, and Postal Observer](#): Given the size of the population without digital access, the importance of mail cannot be discounted. As those without access are found in both more Republican rural areas, and more Democratic urban areas, ensuring a viable Postal Service to bridge the divide should have universal support.

**CRRI** April 6th Workshop: "Postal Reorganization" On April 6th in Washington, D.C. there will be a one day workshop held at the offices of Venable LLP. The array of speakers includes: Robert Taub, Commissioner, U.S. Postal Regulatory Commission David Williams, Inspector General, USPS-OIG Ronald A. Stroman, Deputy Postmaster General, USPS Fred Rolando, President, National Letter Carriers Association For further details and registration see, <http://crr.rutgers.edu/WS/>


 **PRNewswire:** IWCO Direct, a leading national provider of direct marketing solutions, will invest \$4 million to reset its production platform during the next 60-120 days. This reset is driven by opportunities presented with the company's recent \$13 million purchase of high-speed equipment from DGI Services, LLC combined with response to market strategy shifts within the financial services and insurance sectors. Certain customer service and production functions will be relocated to its Chanhassen, Minn., and Hamburg, Pa., facilities which will reduce cost structure and provide greater postal benefits for customers. Once the reset is complete, IWCO Direct will be positioned to produce up to 385 million direct mail packages per month, an increase of nearly 30 percent.


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

- **PostalOne! Release 30.0.0 and FAST Release 20.0** will deploy on Sunday, April 1, 2012. *PostalOne!* Release 30.0.0 will require an extended maintenance window, with an outage from 8 p.m., Saturday, March 31 to 9 a.m. CDT, Sunday, April 1, 2012. A new client version for Mail.dat® download will be available immediately after the maintenance window.
- The FAST On-Line application will be unavailable from 4 a.m. to 8 a.m. CDT on Sunday, April 1.
- **Test Environment for Mailers (TEM)** — *PostalOne!* Release 30.0.0 and FAST Release 20.0 will deploy to the Test Environment for Mailers (TEM) on Monday, April 2, 2012. *PostalOne!* TEM will be unavailable from 4 a.m. through 4 p.m. CDT and the FAST TEM On-Line application and Web Services will not be available from 8 a.m. to 12 noon CDT.
- **Business Customer Gateway Release 3.3** will deploy on Sunday, April 1, 2012, from 4 a.m. to 8 a.m. CDT in a rolling fashion with no outage to the users.
- **PostalOne! Release 30.0 Webinars** will be held on March 27, 28 and 29 to review *PostalOne!* changes that will be implemented on April 1, 2012. Complete webinar information, including log on and times, can be found on RIBBS under [Intelligent Mail Latest News](#) .





*[Now hear this: The latest "This Week In Postal" has been posted!](#)*  
*Sometimes irreverent; always on point.*

 **The Economist:** "The government of Mario Monti is pressing ahead with labour reforms over union objections and threats of strikes." Whatever the merits of his latest reforms, they set a precedent. Italians have glimpsed a style of government that does not aim for consensus, and that acknowledges opinions but not vetoes. Paradoxically, it has taken a mildly spoken economics professor to give Italy the political leadership it has lacked for so long. [EdNote: Here in the U.S. the threat of ticking off unions in an election year would send legislators scurrying for the hills . . . And . . . (whoosh!) there they go!]


 **Delaware Online:** Watch closely. The battle over saving a mail processing center in Hares Corner, Del., or Easton, Md., is likely only a preview of what is ahead of us. Technology and global competition are changing the way our economy works. Those fighting to keep either facility open are waging a rearguard action to preserve a system that America can hardly afford to pay for anymore. The Postal Service had to change and change quickly. That means tough decisions must be made, such as closing post offices and mail-processing facilities. Otherwise, the system will grown unreasonably expensive and collapse. But the fight to preserve what is here goes on. Maryland's two U.S. senators are upset that the U.S. Postal Service appears to be favoring Hares Corner, which would be the only such facility in Delaware. Maryland postal workers blame Sen. Tom Carper of Delaware for influencing the


Postal Service to keep the New Castle-area facility open. **The Postal Service must change. It's time to recognize that.**


 [The Motley Fool](#): "Pitney Bowes Inc. (PBI) Dividend Stock Analysis"


 [City A.M.](#): TNT Post is further encroaching on Royal Mail territory by launching an end-to-end delivery trial in London as part of a long-term plan to rival the government-owned postal service. Following a successful trial in Liverpool, TNT postal workers will hit the streets of west London from mid-April to test the waters for extending the company's current collection and sorting service to include delivery. But the mail service, owned by Dutch company PostNL NV, said it will not be able to roll out the service permanently unless "barriers to competition are removed." Royal Mail is exempt from paying VAT on "final mile" delivery – the last stage of the process – making it difficult for other companies to offer an economically viable rival service.

 [The Independent](#): **The chairman of the Royal Mail** has been re-appointed for three years on an unchanged **annual salary of £200,000 (\$316,000)**, it was announced today. Donald Brydon was appointed chairman of the postal group in 2009. *[EdNote: The chairman of the postal board in the U.S. makes \$30,000 per year. Then again, who knows, the British postal board may actually do some work.]*


 [Washington Post](#): The U.S. Postal Service stands to lose billions of dollars in the first year after it closes 200 mail processing facilities and slows the delivery of first-class mail, according to a feasibility study released this week. The study also estimates that first-class mail volume could slip 9 percent and the delivery of magazines would plummet 19 percent if the closures occur and deliveries would slow because mailings would have to travel longer distances between processing facilities and final destinations. Postal regulators released the study Wednesday. In the House, a GOP-backed measure is slated for consideration next week by the Rules Committee before the measure comes up for a vote. And Senate Majority Leader Harry M. Reid (D-Nev.) said this week that he may move as early as Monday to begin debate on a bipartisan reform measure cosponsored by Collins. But several senators — mostly Democrats representing rural regions of the country — have taken steps to block or stall the legislation. "The Postal Service is basically saying that they can't run their own ship here in Washington," Sen. Joe Manchin said in an interview Thursday.


 [Mainichi Daily News](#): Legislation to review Japan's postal privatization is expected to sail through the current session of the Diet as the ruling Democratic Party of Japan intends to join the two major opposition parties that agreed Thursday to jointly submit a reform bill to the session, lawmakers said. Earlier in the day, the Liberal Democratic Party and the New Komeito party agreed on a bill to overturn the postal privatization plan, spearheaded by former Prime Minister Junichiro Koizumi of the LDP, for the government to sell off its stockholdings in Japan Post Bank and Japan Post Insurance Co. by 2017 for full privatization of Japan Post Holdings Co.'s financial units, the lawmakers said. Senior DPJ lawmakers, including Secretary General Azuma Koshiishi, said the governing party will endorse the accord. See also the [Wall Street Journal](#).


 [The Hill](#): Having dispatched with a small business measure and congressional insider trading bill, the Senate is poised to take up a bipartisan measure that would overhaul the cash-strapped Postal Service's operations next week. Senate Majority Leader Harry Reid (D-Nev.), who has called the postal legislation a priority in recent weeks, filed for cloture on Thursday, setting up a Monday vote on the bill from Sens. Joe Lieberman (I-Conn.), Susan Collins (R-Maine), Tom Carper (D-Del.) and Scott Brown (R-Mass.). The lawmakers had hoped their bill would have progressed more quickly this year, but the measure has found resistance from, among other places, Sen. Bernie Sanders (I-Vt.) and other members of the Democratic caucus. Sanders said Thursday that he had held productive discussions with Lieberman and Carper about making changes to the bill, but that the time had come to bring those discussions to the floor. Reid said as much last week, telling reporters that he thought the only way to finish off the postal reform bill was on the floor. But USPS and members of both the House and the Senate have different visions over how to get the agency back on firmer financial ground. The House GOP bill is scheduled to get a Rules Committee hearing on Monday, but is still waiting to hit the floor.

 [Wall Street Journal](#): FedEx Chief Financial Officer Alan Graf said the global shipping and logistics company may fall shy of the record annual earnings he had hoped for because it overestimated the

strength of the global economy. "We just don't have as strong an economy as we had hoped it would be a year ago," Graf said on a Thursday conference call to discuss its fiscal-third-quarter results, according to a transcript provided by FactSet. "Frankly, the economic environment and the elasticity that we're seeing on our premium services from the high fuel costs are dampening the fourth quarter a bit."

 [OzarksFirst](#): The mail processing facility in Springfield will close operations on February 9, 2013. The American Postal Workers Union says it received that date from the U.S. Postal Service Wednesday evening. However, union leaders say that the Postmaster General could change that date at any time. On May 15, a moratorium on closing postal facilities will be lifted. At that time, mail delivery standards will also be relaxed. That means it could take up to three days for a first class letter to reach its destination. After that date, the Postmaster General could choose to consolidate facilities sooner than expected. "We've been on a roller coaster ride since September 15th," says Bruce Lincoln, President of the local American Postal Workers Union. "We're looking at a standoff between the unions, the Postmaster General and Congress." Local union leaders say workers at the Springfield facility are looking at working in other government agencies. About ten workers have already switched roles and are now mail carriers; a few have decided to retire early. Some of the more tenured employees are waiting to see if the Postal Service will offer them a buyout

 [StoreFront BackTalk](#): With today's overwhelming focus on digital goods, why on Earth would a chain choose to physically send giftcards through the mail anymore? Answer: It's arguably the last reliable—and consistently legal—way to get customer addresses

 [Prensa Latina](#): Delegations of Venezuela and the Dominican Republic met Thursday in this capital to strengthen and revive regional integration in the provision of postal services, reported the Ministry for Science, Technology and Innovation.

*March 22, 2012*



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

- My colleagues, Senators Lieberman, Carper, Brown, and I have crafted legislation to update the Postal Service's business model and give it the tools it needs to survive and succeed. We have introduced a bipartisan bill that will help the Postal Service reduce operating costs, modernize its business model, and innovate to generate new revenue. However, the Postmaster General and I fundamentally disagree on how to save the U.S. Postal Service. He continues to make decisions that will severely degrade service and drive away customers and that undermine the opportunity for our legislation to succeed.
- Montana's U.S. Senators Max Baucus and Jon Tester are calling on the U.S. Postal Service to answer questions on the progress of non-legislative cost-control measures.
- A large group of mailers consisting of the Associated Mail and Parcel Centers, Retail Shipping Associates, the Mail Box Stores, Parcel Plus, Kwik Copy Business Centers, Yess Stores, Postnet, Pakmail, Postal Connections, Safe Ship, the National Alliance of Retail Ship Centers, Total Choice Shipping, and the Independent Coalition of Franchise Owners have filed a complaint case with the Postal Regulatory Commission. This Coalition requested that the Commission find that these new services offered to PO Box customers by the Postal Service are in violation of postal laws and regulations, and that the Commission direct, order, and demand that the USPS suspend any and all these services.
- The Postal Service has its final rule on the Mobile Commerce and Personalization Promotion. The final rules provides a description of the conditions for eligibility for the price reduction for the mobile commerce and personalization promotion, and the revised mailing standards to implement the promotion.
- According to the Courier, Express and Postal Observer, "As Senator Susan Collins' speech on the Senate floor indicated, the Postal Service's announcements that it is going ahead with its network optimization plan shortly after the moratorium expires on May 15th has created some significant political blowback. While this has not changed the Postal Service's public statements on network optimization, the Postal Service has its network support staff developing staffing plans for a range of scenarios based on how the political winds blow."



- This Risk Analysis Research Center white paper is an attempt to inform the dialogue and debate surrounding how the U.S. Postal Service estimates the cost of its products. The paper describes the basics of postal costing, discusses the most salient concerns that have been raised, and discusses the need for the Postal Service to develop a vision and implementation plan for its future cost data needs.
- According to Steve Hutkins of Save the Post Office, "While hearings before the Postal Regulatory Commission (PRC) are usually pretty mundane events, something totally unexpected happened today. The Postal Service revealed something it's been hiding for months — the projected revenue losses its consolidation plan could cause. The numbers are something to behold."
- At a press conference to discuss a new marketing campaign, the Postal Service previewed television, print and marketing mail advertisements to promote Every Door Direct Mail, a simple Web-based service that helps small businesses prospect locally to new and existing customers without the need for names or addresses. The mailings can be dropped off at a local Post Office.
- Mikulski puts hold on Senate postal legislation in objection to flawed USPS consolidation plan. MD Senators pen angry letter to PMG. Three keys to saving the Postal Service. How to save the Postal Service. Postal Service problems a microcosm of entire government. UPS to purchase TNT Express for \$6.8 billion. What UPS-TNT merger could mean for Postal Service. Newspaper ad revenues are slow to react. Senators question ad buys, salaries at cash-strapped USPS. NALC expresses displeasure over Ryan budget plan. FedEx agrees to pay \$3 million to settle a bias case. USPS seeks forever print-on-demand indicia.
- Updates from the Domestic Mail Manual.
- Updates from the Federal Register that affect the mailing industry.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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[Sen. Thomas Carper](#) (D-DE): Sen. Reid has announced that possibly as early as Monday there will be a motion to proceed vote to begin debate on S. 1789, The 21st Century Postal Service Act (S.1789). If cloture is filed on the bill (there is a 60 vote threshold required), then the Senate will begin debating the bill. In the coming days we'll provide additional background on the legislation but I just wanted to make sure this was on your radar.

"For months Sens. Lieberman, Collins, Brown and I have been working with our colleagues and the Postal Service to move comprehensive postal reform legislation forward. I welcome Leader Reid's decision to bring this important legislation to the Senate floor for a full debate. The Postal Service is a critical American institution that has served our country admirably for over two hundred years, but the recent economic recession coupled with the migration to electronic forms of communication has put the future of the Postal Service in jeopardy. Just last month the Postal Service announced that it lost \$3.3 billion in the first quarter of fiscal year 2012, and that comes on the heels of record losses in fiscal year 2011. Clearly we must act, and act quickly, if we hope to save the Postal Service and protect the more than eight million jobs that rely on it. The bipartisan 21st Century Postal Service Act (S.1789) strives to help the Postal Service adjust its operations to reflect the changing demand for its products and services while also giving it tools that can help it be successful in the 21st century. This bill – the only bipartisan proposal from Members in either Chamber – presents a comprehensive solution to the Postal Service's financial challenges. While the situation facing the Postal Service is dire, it is not hopeless. That is why we need to pass this bipartisan and comprehensive bill as soon as possible. It is my hope that Congress and the Administration can come together on this plan in order to save the Postal Service before it's too late."

 [Sen. Susan Collins & Rep. Gerry Connolly](#): U.S. Senator Susan Collins (R-Maine) and U.S. Representative Gerry Connolly (D-Va.) today revealed further evidence that planned service reductions by the U.S. Postal Service will drive even more customers away. The information obtained by Senator Collins and Congressman Connolly was calculated by the Postal Service itself and submitted "under seal" -- so as to keep the information secret -- to its regulatory body, the Postal Regulatory Commission (PRC), which is reviewing the service and financial effects of postal network reductions. The revenue and mail volume estimates had not previously been available to Congress and the public and were released in response to Congressional pressure, including a motion Congressman Connolly filed to make the information public and a demand from the office of Senator Collins, Ranking Member on the Senate Committee that oversees the Postal Service. The numbers show the catastrophic effects of service cuts just in the first year of implementation

 [Coalition for a 21st Century Postal Service](#): The U.S. mailing industry today reiterated its position that the industry will oppose any Postal reform legislation that includes a proposal by the U.S. Postal Service to increase postage rates. The Coalition for a 21st Century Postal Service, a coalition comprising industries that rely on the mail, warned that postage increases will drive more customers away from the mail and hasten the demise of the U.S. Postal Service.

 [Sen. Barbara Mikulski](#): – U.S. Senator Barbara A. Mikulski (D-Md.) announced today that she has placed a hold on Senate consideration of postal legislation as a result of the United States Postal Office's (USPS) lack of public input or transparency in the possible closure of the Easton Mail Processing Center. In a letter to Senate Majority Leader Harry Reid (D-Nev.), Senator Mikulski expressed that "while I absolutely agree that the USPS must be reformed to meet the country's needs in the 21st Century, I must object to moving forward on consideration of this legislation while the USPS continues a rushed study to close a needed mail processing center on the Eastern Shore of Maryland."

*When your service quality has declined; When your core business has been disrupted by technologically advanced alternatives;*


*When you have more personnel, machines, and space than your current level of business requires;*


*When your costs of doing business outstrip your revenue; What's the last thing you want to do?*


*Raise prices . . . . Sheesh! That's a no-brainer.*

*So what do you prove when you behave antithetically to a no-brainer?*

*You've got no brains.*


 [Office of the Inspector General](#): *Pushing the Envelope* -- In an age where consumers are demanding that more information be delivered digitally, across multiple devices, can the USPS improve the aforementioned experience? For the USPS to stay relevant in the digital age, the answer has to be YES. The USPS needs to think more about what the consumer wants, and let that line of thinking dictate future product strategy. Today's consumer wants to visit the post office less (or any store, for that matter), and do more on the go, at their convenience.


 [Courier, Express, and Postal Observer](#): In its most third quarter, 2012, FedEx, through its FedEx SmartPost Operations delivered 32% of all shipments handled by its FedEx Ground Division. The FedEx Ground Division includes FedEx Ground, FedEx Home, and FedEx SmartPost. During the quarter FedEx Ground had the Postal Service deliver 123 million parcels, an increase of 12.9% over the number of FedEx shipments that the Postal Service delivered a year ago. On a daily basis this means that between FedEx dropping nearly 2 million parcels a day into the Postal Service's delivery network.


 [EyeforTransport](#): Much has already been written about the possible benefits of UPS's acquisition of TNT Express concerning the European market, but what about the Americas region? True, Europe is the key element to the acquisition for UPS; however, to a much lesser extent, UPS may also benefit from TNT's Americas' operations.


[ew York Times](#): The United States Department of Labor has reached a \$3 million settlement with the ground delivery unit of FedEx to resolve allegations that the company discriminated against 21,635 job seekers at two dozen FedEx facilities in 15 states. The Labor Department's Office of Federal Contract Compliance Programs reached the

agreement with FedEx Ground Package Systems after saying that it had found evidence of discrimination in hiring on the basis of sex, race and national origin. The office monitors employment practices at the nation's 200,000 federal contractors, which employ roughly a fourth of the nation's work force.


 [Mid Day](#): "Barcode shortage cripples Speed Post service in city"


 [Reuters](#): The deal struck between the UK government and its Royal Mail postal service should have other pension bosses drooling. What's not to like about an arrangement that sees the state take on responsibility to pay ex-employees' inflation-proofed retirement incomes far into the future? The Royal Mail is getting rid of future liabilities with an estimated present value of nearly 38 billion pounds at a cost of only 28 billion pounds – the value of the assets in its pension fund. In a neat sleight of hand, the UK government also seems to benefit. It can use those assets to offset about 2 percent of the national debt, while ministers get to bury the index-linked liability deep in the budget books.

 [Hellmail](#): The EU has given approval for the assets and liabilities of the Royal Mail pension fund to be transferred to the state. The move will free the Royal Mail to invest more of its profits into transforming the business and its eventual sale rather than being hampered by a pension deficit which has reached £9bn. The transfer will see a major restructuring including a debt reduction of more than one billion pounds. The government confirmed yesterday that the £28 billion of assets in the pension fund will be used to help reduce the national deficit but with £37.5 billion of liabilities attached to the pension fund, the move is something of a bitter-sweet pill, on the one hand loading tax payers with a sizeable debt for up to 30 years but allowing the government to press ahead with the eventual privatisation of the Royal Mail.


 [Interactive Investor](#): Britain's second largest postal firm TNT Post is to trial postmen on the streets of west London next month as it steps up ambitions to eventually rival state-owned Royal Mail Group as the UK's postal provider. TNT Post UK, which is owned by Dutch mail company PostNL NV and handles more than 300 million items a month in the UK, will run test deliveries to homes and businesses in the capital from mid-April after a successful tryout in Liverpool. The firm currently collects and sorts post before handing it over to Royal Mail to deliver what is known as the 'final mile' to residential addresses and businesses. TNT Post UK wants to deliver this service itself but before its orange and black clad postal workers hit the streets permanently it is fighting to get a Royal Mail VAT exemption on the final mile removed first. Any other company wanting to offer a delivery service are subject to VAT.


 [Time](#): "Why the Post Office Loves Junk Mail"


 [New York Times](#): The Postal Service, which has proposed closing 3,700 offices, is setting up services inside small grocery stores as it tries to maintain service while trimming billions of dollars in costs. The village post office is one of the many ways the Postal Service is seeking to cut cost as revenue declines. The agency said it could not tell how much it would save by setting up shop in small groceries and hardware stores, but it did say it expects to save \$200 million annually by closing branches. The agency is also looking to offer products in other places where customers are already shopping, like drugstores and retail chains, and to expand its services at office supply stores.

 [Save the Post Office](#): While hearings before the Postal Regulatory Commission (PRC) are usually pretty mundane events, something totally unexpected happened today. The Postal Service revealed something it's been hiding for months — the projected revenue losses its consolidation plan could cause. The numbers are something to behold. The research showed that mail volumes would drop by 7.7%. Losses like that would wipe out nearly all of the \$2.6 billion in cost savings the Network Rationalization plan hopes to achieve. Given that the AMP studies suggest cost savings might be far less than \$2.6 billion, **the consolidation plan could easily end up losing more money than it saves.** A volume loss of nearly 8% in the first year of the plan's implementation would be significantly greater than the 1.5% annual decline projected for the next few years by the Boston Consulting Group, and it's almost as bad as what happened in 2009, when the recession caused revenues to decline by 12% (from 202,703 pieces to 176,744). It's hard to imagine why the Postal Service would want to implement a business plan that would cause volumes and revenue to drop so drastically.

*March 21, 2012*


 [PC Magazine](#): The Pew Research Center released its annual report on the State of the News Media 2012, and for newspapers, the news is not good. Revenues are falling everywhere and according to the report, the major newspapers lost \$10 in print for every one dollar they gained online—and they are all trying to move online fast. This is an increase in the decline; in 2010 seven dollar were lost per one dollar gained. The great irony here is that the papers, which are supposed to be the purveyors of news and information of the highest quality, could not accurately report on or understand this trend when it began. Much of their failure stems from a combination of factors: idealism, bloated and incompetent middle management, and hubris.


 [Los Angeles Times](#): The U.S. Postal Service faces serious trouble in the email age -- no one disputes that. But is the answer really more junk mail? I work for a newspaper, so I know a thing or two about the Internet eating your lunch. But inflicting more junk mail on people couldn't possibly be the answer to keeping the Postal Service afloat. Higher rates, yes. New services, yes. More of the one thing people don't like about the Postal Service, no. [EdNote: Yeah . . . You work for a newspaper -- one that is desperately dependent on the kind of printed advertising you decry the Postal Service for delivering. Hypocrite!]


 [Sen. Max Baucus](#) (D-MT): "We need to know that the Postal Service is cleaning house and not just arbitrarily shutting down post offices in rural America to try to save money," said Baucus, who secured a commitment from Postmaster General Patrick Donahoe to come to Montana before making further decisions on cutting or consolidating Montana postal services . . .

"For Fiscal Year (FY) 2009, **the Postal Regulatory Commission (PRC) found that \$1.7 billion of the Postal Service's \$3.8 billion loss came from 14 products that did not cover their costs, identifying in particular products "for which the Postal Service has a longstanding cost-control problem."** For FY 2010, the PRC again found that 10 products did not cover their costs, resulting in another loss of \$1.7 billion. Please identify steps the Postal Service has taken to prevent losses from these and other products and discounts, the savings associated with those steps, and any statutory authority needed to prevent losses from these products and discounts . . ."


"According to the CRS, the Postal Service cut more than 200,000 jobs between FYs 1995 and 2010. Yet, during that same time period, it increased headquarters staff by 60 percent (1,112 positions). Postal Service employees in our states, who have seen a large number of jobs lost, are questioning the necessity of adding new headquarters personnel - and we agree that the Postal Service has an obligation to explain how large staffing increases in Washington, D.C. support its efforts to contain costs. Please provide such an explanation." (*And more....*)

 [DutchNews](#): A majority of MPs on Wednesday criticised the decision by postal company PostNL to award senior staff pay rises and bonuses at a time when the workforce is being reduced and pension provisions cut. Christian Democrat MP Ad Koppejan called the decision 'shameful' and urged junior economic affairs minister Henk Bleker to speak to the company about the move. It emerged earlier this month that PostNL plans to increase executive pay rates. In addition, they will benefit from bonuses following the sale of TNT Express to UPS.


 [LEXCH](#): While a moratorium on closing or consolidating postal facilities continues until May 15, an official said on Tuesday that 32 bills pending before Congress could impact the U.S. Postal Services' plans. Rick Pivovar, district manager of the U.S. Postal Service's Central Plains District, which covers Nebraska, led a webinar on Tuesday for Nebraska postal customers about pending changes impacting mail delivery, including the closing of Grand Island's postal sorting facility.

 [Reuters](#): South Sudan is about to sign contracts for postal services with Kenya Airlines and Ethiopian Airlines to use their international network to deliver mail, so ending reliance on former civil war foe Sudan.

***Postal reform: A COST-based problem needs a COST-based remedy.***


 **The Hill:** A group of Democratic senators is pressing the U.S. Postal Service over its cost-containing measures, as lawmakers continue to search for ways to overhaul postal operations. The seven senators, all of whom represent significant rural populations, said in a letter sent Tuesday that they wanted to ensure whatever legislation passes Congress will fix the agency's fiscal troubles while protecting postal facilities and prompt mail delivery. "By looking broadly at all of the structural problems within the Postal Service, we firmly believe that we can find a reasonable solution that places the Postal Service on a sustainable financial path and preserves mail services and jobs throughout America," the group, which included Sen. Jay Rockefeller (D-W.Va.), wrote to Postmaster General Patrick Donahoe. The letter comes as the Senate is trying to push through postal reform legislation, with Majority Leader Harry Reid (D-Nev.) saying recently he wants to bring a bipartisan measure to the floor in the coming weeks. But senators including Bernie Sanders (I-Vt.) have argued that the current Senate bill does not give USPS enough tools to find new revenue streams and would give the agency too much leeway to cut services, especially for rural customers.


***Why is it so hard for Congress to grasp that the Postal Service's problems stem from COSTS that are wildly out of line with actual workload needs?  
ANY postal reform bill that fails to reflect this reality should be REJECTED.***

 **PoliticsUSA:** For the past year we have seen an unremitting campaign by the corporate masters of the right wing to either reduce or outright eliminate one of the nation's most vital public services, the United States Postal Service.




**Courier, Express, and Postal Observer:** As Senator Susan Collins' speech on the Senate floor indicated, the Postal Service's announcements that it is going ahead with its network optimization plan shortly after the moratorium expires on May 15th has created some significant political blowback. While this has not changed the Postal Service's public statements on network optimization, the Postal Service has its network support staff developing staffing plans for a range of scenarios based on how the political winds blow.





 **Star Democrat:** In a letter sent March 15 to Postmaster General Patrick Donahoe, U.S. Sen. Barbara Mikulski, D-Md., and U.S. Sen. Ben Cardin, D-Md., demanded public involvement in the ongoing third study regarding the Eastern Shore Processing and Distribution Facility. As of Tuesday afternoon, however, neither senator had received any type of response.







 **Press Information Bureau:** The Government has formulated comprehensive working plan for the development, expansion and modernization of postal services. Under this, major activities, as laid out in XII Five Year Plan, include opening of branch Post Offices, setting up of Automatic Mail Processing Centers, development and deployment of Rural ICT solution, deployment of Core Banking, increasing insurance cover, establishment of Parcel and Logistics Post Hubs, up gradation of Speed Post Centers, Human Resource Training to Personnel, construction of Post offices/administrative offices, installation of Solar Power Packs and setting up of Postal Training Centers.



**PostCom Members:** *If you missed the Postal Service's Tom Foti's participation at yesterday's PostCom webinar on postal product initiatives, you can still listen to a recording of the webinar at:*  
<https://www1.gotomeeting.com/register/133426096>. You can get [a copy of his slides on this site](#).


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

-  Austrian Post closed the business year 2011 with a 4.2% growth in turnover.
-  Swiss Post faced shrunken revenues and earnings last year. The company reported a turnover of 7.24n euros for 2011, down 1.9% from the previous year. The operating profit (EBIT) decreased by 2.4% to 752.7m euros. However, Swiss Post was still satisfied with this result.
-  The Italian antitrust authority launched proceedings against Poste Italiane. The authority will determine whether Poste Italiane abused its dominant market position by not charging VAT on the basis of individually negotiated contracts with shippers.
-  Belgium's government takes the gloves off and is **taking first steps to limit the remunerations of top-managers at state owned companies.**


-  The future funding of the universal service is the topic of a controversial discussion in the Czech Republic. The discussion was triggered by the looming opening of the postal market the Czech Republic has to carry out on January 1 2013 according to the EU guideline. Currently Česká pošta still holds a monopoly on mail items weighing up to 50 grams.
-  Market observers and analysts agree in their assessment of the megamerger of UPS and TNT. 'All things considered, we believe that the consolidation in the global express business won't have a negative impact on Deutsche Post's DHL division.'
-  The acquisition of TNT by UPS turns out to be a windfall for PostNL. The Dutch post gets around 1.54bn euros for its 29.8% stake in TNT.
-  It has now being revealed that Transend, New Zealand Post's consultancy subsidiary, was already closed down on June 30 last year.
-  The Slovakian post remained in the red in 2011.
-  Japan Post will offer an especially low-cost international small parcel service from April 1 on.





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.)*


 **Hellmail:** Ireland's leading delivery company believes significant new investment in its IT infrastructure will lead to even greater advances in its ability to handle rising parcel volumes. Nightline's CEO John Tuohy made the boast as he unveiled a further €100,000 spend on equipment which will see the firm's drivers and warehousing staff equipped with state-of-the-art mobile terminals


 **From the Federal Register:** **Postal Regulatory Commission NOTICES** International Mail Contract , 16568–16569 [2012–6784] [[TEXT](#)] [[PDF](#)]



 **Politico:** The Senate voted Tuesday not to reauthorize an export bank that its supporters — a coalition of Democrats, some Republicans and prominent business interests — say generates thousands of jobs. Senate Majority Leader Harry Reid (D-Nev.) responded that the Senate calendar, which he controls, is already jammed with other priorities such as cybersecurity and Postal Service reform. Rejecting the reauthorization now – when the agency's mandate expires in a matter of weeks — would amount to a "huge mistake," Reid added. "Go ahead, my friends," Reid said to Republicans. "You picked a fight where there is not a necessary fight." *[EdNote: A fight? Just wait'll they have to deal with postal reform.]*



 **Dover Post:** The Ace Hardware store on South Broadway will be home to a new full-service U.S. Postal Service office as of Tuesday, March 13. A ribbon-cutting ceremony has been scheduled for 9 a.m. on opening day, with cake and punch served from 9-11 a.m. The post office will be open from 9 a.m. to 5 p.m., Monday through Saturday, and is located just inside the front doors next to the customer service desk. Ace Hardware is located at 417 S. Broadway.

 **Chief Marketer:** Is United Parcel Service's proposed \$6.8 billion acquisition of TNT Express just another corporate mega-merger or could it create such a large and well-heeled behemoth that could endanger postal corporations abroad, or maybe even the U.S. Postal Service eventually? At least in Europe, some reports said this deal would definitely make it harder for smaller rivals like Deutsche Post DHL to compete. And who knows down the road what implications this would have in this country where UPS is such a powerhouse and the U.S. Postal Service is in such dire financial straits.


 [Financial Times](#): The European Commission will give the green light on Wednesday to the government's plan to take over Royal Mail's pension fund, removing one of the main obstacles to privatising the state-owned postal operator.


 [Wall Street Journal](#): FedEx, which reports its quarterly earnings on Thursday, is expected to face questions on its strategy for blunting the impact of UPS's \$6.8 billion all-cash offer for Dutch shipper TNT Express. The proposed purchase, the biggest in Atlanta-based UPS's 105-year history, would create a parcel shipper with more than \$60 billion in annual sales and a global reach. FedEx could face questions when it reports its earnings on Thursday. The deal could pose future obstacles for FedEx breaking into ground delivery in Europe.


  [Wall Street Journal](#): Dutch package shipper TNT Express NV Tuesday denied a report about the potential loss of up to 20,000 jobs following the takeover by U.S.-based United Parcel Service Inc. (UPS).


  [Seeking Alpha](#): United Parcel Service, Inc. (UPS) has agreed to buy TNT Express in an agreement that values the Dutch express company at roughly 5 billion euros. United Parcel will be the big winner. TNT shareholders look to end up losers. FedEx misses out in Europe.


*March 20, 2012*


 [Post & Parcel](#): La Poste chairman and CEO Jean-Paul Bailly is postponing moves to give employees a 3% ownership in the company to September, as he seeks to get to grips with a troubled work culture. But, angering unions, Bailly said yesterday that La Poste could not afford to pause its ongoing modernisation efforts.

 [Newswire](#): The U.S. Postal Service today unveiled a new integrated marketing campaign to promote easy-to-use and affordable direct mail and shipping services to America's small businesses. "Small businesses are the backbone of the American economy, and the Postal Service plays an important role in enabling their growth and commercial success," said Paul Vogel, president and chief marketing/sales officer, U.S. Postal Service. "We are providing a suite of mailing and shipping services tailored to the needs of small businesses to help them compete for customers and run their operations more efficiently." At a press conference to discuss a new marketing campaign, the Postal Service previewed television, print and marketing mail advertisements to promote Every Door Direct Mail, a simple Web-based service that helps small businesses prospect locally to new and existing customers without the need for names or addresses. The mailings can be dropped off at a local Post Office.

 A new white paper has been posted today on the U.S. Postal Service Office of Inspector General website (<http://www.uspsoig.gov>). [A Primer on Postal Costing Issues \(RARC-WP-12-008\)](#). This Risk Analysis Research Center white paper is an attempt to inform the dialogue and debate surrounding how the U.S. Postal Service estimates the cost of its products. The paper describes the basics of postal costing, discusses the most salient concerns that have been raised, and discusses the need for the Postal Service to develop a vision and implementation plan for its future cost data needs.


 [DMM Advisory](#): **Mobile Commerce and Personalization Promotion Update.** Additional Information on the Mobile Commerce and Personalization Summer 2012 Promotion — A Notice of Price Adjustment was filed with the Postal Regulatory Commission (PRC) on February 21, 2012, and the promotion is still pending PRC approval.

 [Federal Times](#): Sen. Susan Collins, R-Maine, took to the Senate floor today to blast the U.S. Postal Service. That in itself was not surprising; many members of Congress are unhappy with the agency's recently unveiled plans to close or consolidate more than 220 mail processing plants. What's noteworthy is not so much what Collins said, but how she said it—criticizing Postmaster General Pat Donahoe in sharply personal terms. And in delivering her remarks, Collins toned them down considerably from the prepared text of her speech, in which she questioned the Postal Service's (and by extension, Donahoe's) good faith. The Senate bill is already under fire from Democrats who want to use it to block large-scale mail plant closings for at least four years.

 [The Tech](#): USPS Inspector General David C. Williams came to MIT last Thursday to discuss the future of the United States Postal Service as part of MIT's Communication Forum. The talk touched upon important issues that the Postal Service must face in order to survive the current economic climate. With the Postal Service on the verge of cutting 200,000 jobs, Williams is on the lookout for solutions that could help the USPS adapt to today's technological environment.



[Federal News Radio](#): Sen. Susan Collins (R-Maine) has been steadfast in wanting to help the Postal Service climb out of its fiscal hole, but she is losing patience with Postmaster General Patrick Donahoe's plan to close facilities across the country. But Collins said this plan flies in the face of the work she and her colleagues have done with Donahoe over the last year. **Collins also questioned whether postal reform legislation was worth pursuing any longer.**


 [Hellmail](#): City Link, the UK's premium express delivery company, has announced plans to further extend its Sameday presence in the UK with a fleet of dedicated liveried vehicles to support the operation.


*March 19, 2012*




[Sen. Susan Collins on Seate Floor](#): **"The Postmaster General and I fundamentally disagree on how to save the U.S. Postal Service.** He continues to make decisions that will severely degrade service and drive away customers. It is clear we have two very different visions on how best to help the Postal Service. While each of us wants to ensure the Postal Service is set on a sustainable path, I fear Mr. Donahoe's approach would shrink the Postal Service to a level that will ultimately hasten its insolvency. The fact is, there are many options to cut costs and expand revenue while preserving service such as: reducing the size of processing plants without closing them, moving tiny post offices into local grocery stores, reforming an expensive and unfair workers' compensation program, allowing the Postal Service to ship wine and beer, refunding an overpayment into the federal retirement system, developing a new health plan that would greatly decrease the need to pre-fund future retirees benefits, and using buyouts to encourage employees to retire. The Postmaster General is instead proceeding with a disastrously flawed plan, as evidenced by the recent announcement of draconian processing plant closures. This coupled with the still-pending closures of almost 4,000 mostly rural post offices and the Postmaster General's push to eliminate of overnight and Saturday delivery tell me that the current Postal Service leadership is gravely underestimating the consequences of lesser service on revenue from customers who depend on the service as it is provided today."



 [The Star](#): Technology has brought about much good in the way business and communication is conducted. But on the flip side it has stagnated the growth of Postal Corporation of Kenya's core business: letters. PCK's biggest headache today is relevance. It is strategising on new ways to sustain the business and embrace technology in a bid to grow market share. "Letters are still the cash cow of PCK, the only problem is that the market is not growing," says PCK's General Manager for courier and mail services Stephen Muriuki. Muriuki is also in charge of PCK's department dubbed the Nairobi Postal Strategy tasked with the job of growing market for letters among others.

 [BBC](#): Royal Mail pension fund assets and liabilities are set to be transferred to the government next month, subject to EU approval, the BBC understands. The move means that Royal Mail pensioners will enjoy a state guarantee of their retirement benefits. It is a key part of the impending privatisation of the Royal Mail.

 [ERR News](#): Last year, the national postal service Eesti Post shipped 25 percent more mail order goods to Russia and Europe than in 2010. The company said in a statement that the increase in the total figure of mail order parcels can be attributed to the rapidly developing international e-commerce; increasing cooperation between postal services of different nations; and the notion that ordering goods online has become more risk free, because many sellers provide the option of returning products without any additional shipping costs for the buyer.



[Bloomberg](#): Deutsche Post AG (DPW)'s express-package unit may overtake the



postal division as the company's biggest profit-generator in "the near future," Frankfurter Allgemeine Zeitung said in a preview of a story that will run tomorrow, citing Deutsche Post Chief Executive Officer Frank Appel.



**From the Office of the Inspector General:** The U. S. Postal Service, Office of Inspector General (OIG), is conducting [an audit of Mail Transport Equipment \(MTE\) – Control over Pallets, Tubs, and Trays](#) (Project Number 12XG017NL000). Our audit objectives are **to assess the underlying causes for the MTE shortages experienced during the 2011 fall mailing season and management controls over pallets, flat tubs, and letter trays used in the process.** We have been working with the Postal Service to understand why the MTE shortages occurred and actions taken by the Postal Service to mitigate these shortages. We have also had discussions with some members of the Mailers' Technical Advisory Committee (MTAC) to obtain their experiences and insights, but please share this email and its link with all members of your association who may have been impacted by these shortages. You might have been affected by these MTE shortages during the fall 2011 mailing season. We welcome your insights, experiences and suggestions on, "what happened, why it happened, and its impact on your operations." Additionally, any suggestions you may as to what the Postal Service should do to ensure it does not happen again.

The OIG establishes an Audit Project Web Page, which provides an opportunity to discuss a specific project, and how the OIG can improve its audit projects and help the Postal Service become more efficient, effective, and economical. You can contribute to our audit by providing your comments, ideas, and concerns, and how the Postal Service can better manage and control its MTE to avoid shortages during the next fall mailing season. For your convenience, we provide a link to our Audit Projects page: [12XG017NL000 - Audit - Mail Transport Equipment - Controls over Pallets, Tubs, and Trays](#). We are very interested in your feedback. Please share any information you may have that would help with MTE management and shortages by clicking on the link above. Your experiences, opinions, and viewpoint are extremely important and valued. We want thank you for your time in sharing your experiences and concerns.



**DMM Advisory: Mobile Commerce and Personalization Promotion.** Building upon last summer's mobile barcode promotion's success, we are offering it again from July 1, 2012, through August 31, 2012. In our final rule [Federal Register](#) posted today on [Postal Explorer](#), we describe the conditions for eligibility for the promotion and the revised mailing standards to implement it. Here is information to help you take advantage of this revised special offering:

- Qualifying mailings are Presorted and automation mailings of First-Class Mail cards, letters, and flats and Standard Mail (including Nonprofit Standard Mail) letters and flats with a mobile barcode inside or on the mailpiece.
- The mobile barcode must lead the recipient of the mailpiece either to a webpage that allows the recipient to purchase a product or service on a mobile device, or to a personalized URL, which leads to a web page that is unique to an individual recipient.
- Qualifying mailings may receive an upfront price reduction of 2 percent of the eligible postage.
- Participation requires electronic documentation.
- Commingled, combined and co-mail mailings are allowed, but a separate postage statement is required for pieces with mobile barcodes.

Using mobile barcodes is a great way to integrate direct mail with mobile technology. Get more information, including updated FAQs, on the [RIBBS](#) website or by emailing [mobilebarcode@usps.gov](mailto:mobilebarcode@usps.gov) .



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

- Network Redesign and Service Standard Changes in the Works
- Timing of Network Changes
- May 15, 2012 Delay Still Stands
- USPS Announces Status of Facility Studies
- USPS Proposes Service Standard Changes to Support Network Redesign

- PRC Continues Review of Proposed Service Standard Changes
- PostCom Cautions USPS on Service Standards and Network Changes
- USPS Continues Customer Outreach on Proposed Changes
- PostCom Urges Businesses to Assess the Impact and Prepare for Change
- New Postcom Web Area Dedicated to USPS Network Initiative
- Nuts and Bolts of the Proposed Service Standard Changes
  - Business Mail Acceptance Changes



*The U.S. Postal Service Office of Inspector General invites you to comment on this week's "Pushing the Envelope" blog topic: **Week Three of our "Five Elements of a Postal Solution" blog series: What Opportunities Exist for the Postal Service to Integrate Its Traditional Role in the Digital World?*** The


U.S. Postal Service has provided a secure, universal service for 237 years. How can the Postal Service continue to provide this service in the digital age? Join our guest bloggers, Steve Ressler, Founder and President of GovLoop.com; Dan Combs, CEO of the eCitizen Foundation; and John Payne, CEO of Zumbox, as they share their ideas throughout the week. Join the conversation and share your ideas on our [blog](#).


**New Audit Projects:** New audit projects have been started on the external website.


- **[Mail Transport Equipment: Control Over Pallets, Tubs and Trays – 12XG017NL000.](#)** Mail transport equipment (MTE) are containers of various types (such as pallets, tubs and trays) used to hold mail during processing and transportation within or between Postal Service facilities, its contractors, its mailers, and other external customers. As such, MTE is a critical component of Postal Service and mailer operations. The Postal Service's goal is to have sufficient quantities of the right type of MTE in the right place at the right time to meet Postal Service and customers' needs. However, the 2011 fall mailing season was unusually difficult in terms of MTE shortages of pallets, tubs, and trays. There were many complaints from mailers and plants about the MTE shortages, and the Postal Service worked with mailers to resolve the MTE shortages. Our objectives are to assess the MTE shortages experienced during the Fall 2011 mailing season and management controls over pallets, flat tubs, and letter trays used in the process.
- **[Global Positioning System Technological Strategies for Contracted Highway Transportation Routes – 12XG015NL000.](#)** The Postal Service's surface transportation consists of more than 15,500 commercially contracted highway transportation routes traveling almost 1.6 billion miles annually. This contracted surface transportation costs the Postal Service more than \$3.2 billion annually. The Postal Service initiated a GPS requirement for about 900 selected contracted transportation routes in November 2010 in order to have visibility of mail while enroute. Under this GPS-mandate, all long-haul contracted routes were required to provide certain GPS tracking information every 30 minutes while hauling mail, including the location of the vehicle. The data can be provided through a traditional GPS device or by using a cellular tracking solution. Our objective is to assess the Postal Service's GPS strategies for highway contract routes. The audit will determine whether the GPS information is being used effectively and whether additional opportunities exist for its use as it relates to managing and negotiating HCRs. We will also explore future plans and identify additional opportunities or best practices for GPS use on highway contract routes.


 <p style="text-align: center;"><u><a href="#">The National Postal Forum  Forum</a></u></p>	<p><b><i>Time to Get A Movin' and Register for the National Postal Forum</i></b></p> <p><b><i>April 1 - 4, 2012! Gaylord Palms, Orlando, FL</i></b></p> <p><b><u><i>Registration is open!</i></u></b></p> <div style="border: 1px solid black; width: 300px; height: 80px; margin: 20px auto;"></div>
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<a href="#"><u>Program</u></a> <a href="#"><u>Exhibit</u></a> <a href="#"><u>Hall</u></a> <a href="#"><u>Networking</u></a> <a href="#"><u>Events</u></a> <a href="#"><u>Schedule</u></a> <a href="#"><u>At-a-Glance</u></a> <a href="#"><u>NPF</u></a> <a href="#"><u>Planner</u></a> <a href="#"><u>FAQs</u></a>	<a href="#"><u><i>The 2012 NPF Personal Planner is now available!</i></u></a>
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 [Business Recorder](#): Federal Minister for Postal Services Sardar Alhaj Muhammad Umar Gorgaij said that Pakistan Post is being computerised according to meet changing requirements of the modern world.



 [Warsaw Business Journal](#): Austrian postal service Österreichische Post may soon become a competitor to Poland's state-controlled Poczta Polska (Polish Post), reported Puls Biznesu. The Austrian company currently holds a 100 percent stake in Post acht Beteiligungs which has just entered talks with Polish distribution and postal company Integer to acquire Kolportaż Rzetelny, a Polish subsidiary of Integer's that specializes in bulk mailing. According to analysts, the move may be just the beginning of an increased Austrian presence in the market.


 [Reuters](#): Norway's post office Posten Norge and Swedish-Danish Post Nord both denied on Monday a newspaper report that the two state-owned companies were in talks with the aim of forging a pan-Scandinavian postal company. Dagens Industri reported the companies would merge to cut costs in a market experiencing intense pressure on revenues due to competition from email and other communication over the Internet.


 [Hellmail](#): UK Mail's innovative imail service forms a key part of a £3.3 million two-year contract award, following a collaborative tender exercise under the Government Procurement Service Postal Services Framework Agreement RM782 to fulfil the postal service requirements of 17 participating London Boroughs. UK Mail will use a mix of traditional and hybrid methods which will cut costs by 34%.

 [Wall Street Journal](#): A little-known fact is that TNT Express, currently listed on the Euronext Amsterdam with headquarters in the Netherlands, has roots that trace back to Australia. From a company which began with a single truck in 1946, TNT Express now delivers almost 1 million consignments including documents, parcels and freight daily.


 [Financial Times](#): **The UK government will take on Royal Mail's pension fund next month, guaranteeing retirement benefits for postal workers and paving the way for the privatisation of the service.** Treasury sources have said ahead of the Budget. Without the pension fund, the state-owned postal operator should be more attractive to private investors. Accounting rules mean the deal may appear to give the government a windfall in the Budget later this week, as it takes on assets from the scheme. But that is because the liabilities will be subsumed into the rest of the state pension system and won't show up as debt immediately.

  [Bloomberg](#): United Parcel Service Inc. (UPS) raised its offer for TNT Express NV by 5.6 percent to 5.16 billion euros (\$6.8 billion) to secure the biggest deal in the U.S. company's 105-year history and challenge Deutsche Post AG. UPS will pay 9.50 euros a share in cash for the region's second-largest express delivery company, up from a bid last month of 9 euros per share and 54 percent higher than the closing price Feb. 16, the day before the talks were made public, the companies said in a joint statement today. Atlanta-based UPS's purchase of TNT will put the company on equal footing in Europe with Deutsche Post's DHL, the region's largest delivery operator. See also [Reuters](#), [Associated Press](#), and the [Financial Times](#).


 [The Guardian](#): The chancellor, George Osborne, will attempt to disguise the spiralling long-term costs of privatising the Royal Mail with figures in the budget that show a short-term boost to the government's finances. Treasury figures are expected to show that taking the Royal Mail final-salary retirement scheme on to the government's books will add £28bn of pension assets to the exchequer, allowing the chancellor to cut the annual deficit and reduce borrowing costs. The decision to nationalise the postal workers' pension scheme was taken last year by the coalition, and clears the way for private contractors to run the 400-year old institution.


 [Federal Times](#): Both USPS and the federal government are spending more than they bring in. Federal debt and spending are at all-time highs, with a national debt of more than \$15 trillion and a deficit this year estimated at \$1.08 trillion by the nonpartisan Congressional Budget Office. Meanwhile, health costs and other required spending are creating inescapable burdens. For USPS, it's health care and employee pensions; for the federal government, it's skyrocketing spending on Medicare, Medicaid and Social Security, combined with high levels of defense spending, that command an ever-growing share of the budget. Both USPS and the federal government have failed to adapt to changing times. The explosion of affordable information technology and Web-based communication tools have revolutionized the private sector, boosting productivity and allowing for leaner, more dynamic organizations. But the labor-intensive Postal Service business model has changed little over the decades, and the federal government shows a similar unwillingness to change how it does business.


*March 18, 2012*

 [Burlington Free Press](#): The fact is, of course, that the personal letter sent through the mail was feeling its age well before the Internet made it almost obsolete. I'm part of two industries that are being compelled by the digital age to change at NASCAR-like speeds: Books and newspapers. So, I'm sympathetic to the plight of the postal worker. But I also know that we have to live in this world -- not another. And here, right now, are the people who need the postal service: J. Crew, J. Jill and J. Peterman. So do all those wonderful nonprofits that look out for children and whales and colleges. The mail remains a vital part of their marketing plans. So, perhaps the Postal Service's fiscal woes can be solved by a business plan that doesn't revolve around first-class mail, but focuses instead on the people who really need it: Catalog companies, businesses and fundraisers. They still depend on the mail as an effective advertising medium -- and almost nothing can kill an effective advertising medium.

*March 17, 2012*

 [The Sunday Leader](#): The cost of postage stamps is to be increased soon, Secretary to the Ministry of Posts, Hemasiri Fernando said. Fernando told The Sunday Leader that Cabinet approval has been sought to increase the cost of postage stamps. He said that the increase in the cost was required as the Postal Department was unable to meet administration and distribution costs. Fernando said that a committee headed by Additional Ministry Secretary Vinitha Kaluarachi will decide on the increase in the postage stamp prices. He said that the Ministry has already approved the increase of international postage stamp rates and had also suspended the use of telegrams.


 [AZ Daily Sun](#): Members of Congress should make every effort to preserve this critical and beloved American institution. They can start by adhering to these three core principles: Minimize harm. Reform efforts should attempt to protect economically and socially vulnerable communities like those on the Eastern Shore, as well as to the 574,000 Americans who count on the postal service for good, middle-class jobs. Address the real problems. Declining mail volume is a problem, but Congress should also reform or repeal burdensome legislative mandates, including a 2006 requirement that the postal service pre-fund 75 years' worth of retiree health benefits over just 10 years. This law placed an unprecedented financial burden on the postal service during the worst economic downturn since the Great Depression. Address the real problems. Declining mail volume is a problem, but Congress should also reform or repeal burdensome legislative mandates, including a 2006 requirement that the postal service pre-fund 75 years' worth of retiree health benefits over just 10 years. This law placed an unprecedented financial burden on the postal service during the worst economic downturn since the Great Depression. Refrain from additional burdensome mandates. Congress should give the postal service more flexibility, not less, by rescinding legal restrictions on the kinds of activities it can conduct. This will allow the postal service to create a business model for the 21st century -- while retaining delivery services essential for the public good.


 [Washington Post](#): The rise in viral marketing (including text messaging and e-mail marketing) have allowed companies to shift their resources to more innovative marketing tactics that can be tracked with analytics to show greater return on investment. The Postal Service, given its long-standing history, brand recognition and deep roots in the evolution of communications can adapt its services. Adaptations can include, for example, e-mail hosting services, international communications services, social media integration and viral marketing initiatives. Perhaps the agency could partner with a leading tech company to begin hosting these services as early as 2013. Launching an integrative platform that offers a competitive pricing model and hosting paid search advertisements (Facebook reported that 85 percent of its 2011 revenue stemmed from advertising) is a viable revenue generator for the Postal Service.





[Reuters](#): United Parcel Service's plan to buy Dutch delivery firm TNT Express moved into a new phase on Friday that looked set to deliver the U.S. firm its prize even though price is still an issue between the pair.

*March 16, 2012*

 [Canadian Labour Lawyer](#): Canada's postal union is asking the arbitrator appointed to resolve an ongoing contract dispute with Canada Post to not accept or excuse himself from further proceedings. The union says the arbitrator has ties to the Conservative party and has represented Canada Post as a labour lawyer in the past.

 [Chief Marketer](#): The recent increase in postage rates and looming U.S. Postal Service cutbacks mean marketers who rely on direct mail must find more cost efficient ways to use the medium. Insert media can be one viable option. Inserts ride along with a variety of distribution partners in everything from fulfillment packages and catalogs to billing statements and sample packs. Despite the postage rate increases, the USPS is offering large volume mailers an extra free ounce which will encourage them to accept outside inserts.

 [The American](#): "New bill hopes to bring the Postal Service into the 21st century"

 [Post & Parcel](#): The US Postal Service has published its final rule confirming the details of this summer's 2% promotional discount, encouraging mailers to make use of mobile barcode technology on letters and flats. The rule [announced last month](#) was published in the Federal Register today, stating that presorted and automation First Class Mail cards, letters and flats, and Standard Mail letters and flats will be eligible for the discount if bearing two-dimensional mobile barcodes. The codes must bear technology such as QR codes, watermarks or tags that can direct consumers to a website via a mobile phone scanning application. Eligibility requires the connected website to either allow e-commerce purchases to be made, or take the form of a URL personalised to the individual consumer mail recipient. The discount is being offered through July and August 2012 to highlight the possibilities of the technology connecting physical mail communications to online information.



[Attention PostalOne!® Users: Reminder --](#)

*MARCH 18, 2012 Maintenance Schedule:*


- **Business Customer Gateway Maintenance:** The Business Customer Gateway production environment will be unavailable on Sunday, March 18, 2012, from 5:00 a.m. CDT to 7:00 a.m. CDT for scheduled maintenance. During this outage period, all USPS services accessed through the Business Customer Gateway — including *PostalOne!*®, *FAST*®, Mailer ID, and Program Registration - will be unavailable. *PostalOne!*® and *FAST*® eDoc submission through MailXML and Mail.dat will not be impacted.
- ***PostalOne!*® MicroStrategy Reporting Maintenance:** The *PostalOne!*® MicroStrategy reporting environment be unavailable on Sunday, March 18, 2012 from 5:00 a.m. CDT to 7:00 a.m. CDT for scheduled maintenance. During the outage period internal users will not be able to access Verification and Performance Reports for Business Mail Acceptance and external users will not be able to access Mail Quality Reports and Data Distribution.


- **PostalOne!® Scheduled Maintenance:** The *PostalOne!*® environment will have scheduled maintenance for OS patching on March 18, 2012 from 4:00 a.m. CDT to 10 a.m. CDT. This will be done in a rolling fashion and no outage is expected from this activity but as described previously Business Customer Gateway and Microstrategy Maintenance will make *PostalOne!*® unavailable between 5:00 a.m. and 7:00 a.m. CDT.

**March 31-April 2, 2012 Deployment Schedule:**

- **PostalOne!® Release 30.0.0:** The Deployment of *PostalOne!*® Release 30.0.0 will require an extended maintenance window to complete all software updates. There will be a *PostalOne!*® outage from 8:00 p.m. CDT on Saturday, March 31, 2012 through 9:00 a.m. CDT on Sunday, April 1, 2012.
- **Test Environment for Mailers (TEM)** *PostalOne!* Release 30.0 will deploy to the Test Environment for Mailers (TEM) on Monday, April 2, 2012. *PostalOne!* TEM will be unavailable from 4:00 a.m. through 4:00 p.m. CDT.

If you have any additional questions please contact the Help Desk at 800-522-9085

 **Delaware Wave:** U.S. Senators Barbara Mikulski, D-Md., and Ben Cardin, D-Md. have sent a letter to Postmaster General Patrick R. Donahoe demanding he increase the level of transparency regarding the possible closure of the Easton facility. In the letter the Senators said they are “outraged” the study to evaluate the necessity and role of the mail processing center began without notifying them. They are also demanding the Postmaster make the process more inclusive of the public.

 **Austrian Independent:** Austrian postal services provider Post AG has managed to increase its turnover despite lower interest in sending letters. Post AG chief Georg Pölzl said yesterday (Thurs) that the firm’s turnover rose by 4.2 per cent from 2010 to 2011 to 2.3 billion Euros. He explained that his company registered significantly fewer posted letters and postcards while it benefited from soaring interest in online shopping. The former T-Mobile Germany manager said this development heaved Post AG’s parcel division to new heights. He added that increasing e-mail communication meant an annual decrease of letters of three to four per cent in Austria.



Now don't get upset with yourself. If you missed yesterday's PostCom webinar (*USPS End-to-End Visibility: Using Data to Drive Performance and Network Optimization* James (Jim) P. Cochrane Vice

President, Product Information March 15, 2012) you can still see it as if you were there. [\[Webinar\]](#)  
[\[Slides\]](#)



[Postal Technology International - New issue online NOW!](#)



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


- President Obama this week announced Katherine C. Tobin as a nominee for Governor to the US Postal Service Board of Governors.
- In meeting with PMG, Brown pushes to minimize Ohio closures, preserve POs & maintain 6-day. How to fix the Postal Service. Hochul announces legislation to cap exec pay at USPS. Why not allow phased retirement for postal workers? A mixed blessing for parcel companies. Congressional candidates start using USPS to gain support. Casey joins Marino in call for keeping postal facility open. Sorry but the Postal Service will need a bailout. APWU launches next phase of television ad campaign. Three keys to saving the USPS. Reid says he'll plow ahead on postal reform. Printed magazines or digital magazines: do we have to choose? Does USPS want you to see the results of a revenue study? Congress's war on the Postal Service. North American advertising to increase in 2012. Direct sales drop 5.4% at Frederick's of Hollywood. Even money-losing rural post office must stay open, Merkley says. Two years into tablet editions, Conde Nast begins regular readership reports.


- Updates from the Domestic Mail Manual.
- Updates from the Federal Register that affect the mailing industry.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.
- Time to Calibrate Your Postal Compass


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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 **PR-Inside:** MoneyGram International, a leading global money transfer company, and India Post, the largest distribution postal network in the world, today announced that their existing agreement to offer money transfer services through India Post outlets has expanded from an initial 100 locations to more than 650 locations across the country. In a presentation before community dignitaries and media today, MoneyGram officials discussed the importance of postal networks as part of its global distribution strategy, as well as plans for continued roll-out to additional locations of India Post in urban and rural areas of the country.

 **The Republic:** U.S. Sen. Max Baucus is telling the postmaster general that he should visit rural Montana post offices before making any decisions to close some of them.


 **Transport Intelligence:** UPS has released a statement saying that it remains in constructive discussions with TNT Express regarding a potential transaction. In line with its regulatory requirements, UPS confirmed that it still has the intention to submit a request for approval of its offer document to the Netherlands Authority for the Financial Markets (AFM) within 12 weeks from its initial announcement of February 17, 2012. See also [Bloomberg](#).


 **From the Federal Register:** **Postal Service RULES** Mobile Commerce and Personalization Promotion , 15605–15607 [2012–6086] [[TEXT](#)] [[PDF](#)]

 **At the Postal Regulatory Commission:** The PRC Web Site has posted new documents.


- PRC Daily Listing Page: <http://www.prc.gov/prc-pages/daily-listing/default.aspx?docketpart=Dailylisting&docketid=03/15/2012>. If the hyperlink does not appear in your window, copy and paste the link into your browser's address bar.
- [Complaint](#) Of The Associated Mail And Parcel Centers, Retail Shipping Associates, The Mail Box Stores, Parcel Plus, Kwik Copy Business Centers, Yess Stores, Postnet, Pakmail, Postal Connections, Safe Ship, The National Alliance Of Retail Ship Centers, And The Independent Coalition Of Franchise Owners, Total Choice Shipping, And The Independent Coalition Of Franchise Owners [regarding Postal Service Offering Enhanced Services Product For Competitive PO Boxes](#).


**March 15, 2012**

 **Hispanically Speaking News:** They say desperate man do desperate things but they also say desperate things. Newt "I can still win" Gingrich, he is currently spouting off about immigration while in Illinois, where he is visiting ahead of the Tuesday primary. He wants us to mail a package to "every person who's here illegally" so he can pull up in the delivery truck and "we would pull them up and we would know exactly where it was because it would be in UPS and FedEx." Gingrich told his admirers how FedEx and UPS easily tracks 24 million packages and inferred those same tracking tactics could be used to find the 11 million missing human packages called the undocumented.

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

- **Reminder: *PostalOne!*® *MicroStrategy*® Reporting Maintenance** — The *PostalOne!*® *MicroStrategy*® reporting environment (Mail Quality Reports) will be unavailable on Sunday, March 18, 2012, from 5 a.m. to 7 a.m. CDT for scheduled maintenance.
- ***PostalOne!* Maintenance** — *PostalOne!* will be applying scheduled maintenance patches on Sunday, March 18, 2012, between 4 a.m. and 10 a.m. CDT. There will be no outages for internal or external users.
- **Business Customer Gateway Maintenance** — The Business Customer Gateway production environment will be unavailable on Sunday, March 18, 2012, from 5 a.m. to 7 a.m. CDT for scheduled maintenance. During this time, all USPS® services accessed through the Business Customer Gateway — including *PostalOne!*, FAST®, Mailer ID, Program Registration and eDoc submission through Mail.XML® and Mail.dat® — will be unavailable.
- ***PostalOne!* Release 30.0.0 and FAST Release 20.0** will deploy on Sunday, April 1, 2012. *PostalOne!* Release 30.0.0 will require an extended maintenance window, with an outage from 8 p.m., Saturday, March 31 to 9 a.m. CDT, Sunday, April 1, 2012. The FAST On-Line application will be unavailable from 4 a.m. CDT to 8 a.m. CDT on Sunday, April 1.
- FAST Web Services will not be available during the March 31 through April 1 outage. Messages sent via FAST Web Services will be queued and processed immediately after FAST Release 20.0 and *PostalOne!* Release 30.0.0 implementation are completed.

 **Internet Retailer:** The Italian postal service, Poste Italiane, has begun a trial in which its carriers will deliver goods ordered from Amazon.com Inc.'s Italian web site, and in some cases accept payment.

 **Courier, Express, and Postal Observer:** On Wednesday, March 14, 2012, postalnews.com reported that a number of Postal Service employees saw a web page that had dead links to VERA and other retirement incentive. This set up a rapid rumor mill in message boards regularly frequented by Postal Service employees. Looking through these posts, it appears clear that an announcement is coming this week about which Postal Service employees will be eligible for early retirement, incentives that will be available, and dates by which employees must make their decisions. The following provides the information from news stories, comments on news stories, and bulletin boards that have the most credibility.





[Blog.USPS.gov](http://Blog.USPS.gov): "Pushing the Envelope"


- **John Callan, President, Ursa Major Associates --** "It's now no surprise to anyone that the U.S. Postal Service is losing money due to e-substitution of First Class Mail. The Postal Service has informed Congress about this crisis and its projected rate of decline in volume through 2016. PMG Pat Donahoe has proposed a Plan to Profitability to radically down-size its infrastructure in order to right-size its capacity to serve a diminishing if not vanishing core product demand. As painful as it is for employees, customers, and for literally all of us, including Congress, he must be permitted to move on this plan immediately to prevent an otherwise inevitable "bail-out".
- **Alan Robinson, President, Direct Communications Group --** "The service needs of the Postal Service's customers have six dimensions: 1. Access to services in a convenient manner; 2. Delivery to a location that satisfies the needs of recipients documents and parcel; 3. The speed that a document or parcel must be delivered from point A to B; 4. The reliability of a promised delivery commitment; 5. Information on delivery status and reliability provided on a real time or near real time basis; and 6. A price that makes the service financially viable. In determining the optimal infrastructure, customer service needs set the product characteristics offered at particular prices and the volume of mail and parcels that the infrastructure must handle. However, as customer needs constantly change, communications access, processing, transportation, and delivery infrastructure will need to be re-optimized on a regular basis."
- **Cliff Guffey, President, American Postal Workers Union --** "In addition to getting legislative relief from its burdensome payment obligations, the Postal Service also must develop new sources of revenue and a new business model that takes into account changes in communication. The modern postal network must: • Be capable of satisfying customers who want quick delivery – including overnight delivery; • Be capable of





notifying customers what is headed to their mail boxes; • Permit customers to re-direct mail to a work location, a vacation spot, or a parcel locker; • Allow senders and receivers to track and see their items in transit – in real time; • Be capable of converting electronic messages to hard copy and vice versa; • Be nimble, flexible and quick to recover when natural disaster strikes. This requires a network of facilities capable of providing overnight service, quick re-delivery and convenient customer pickup in every part of the country. Retail outlets should remain close to consumers and located conveniently to win more business."


 [Washington Post](#): The nation's largest postal worker union is turning to television to convince Americans — and Congress — that the impending closure of 223 mail-processing facilities and post offices could be detrimental to broad segments of the country, including small-businesses owners and people who rely on mail deliveries of medication. The American Postal Worker Union plans to air three new TV ads nationally on the three major cable news channels — CNN, Fox News Channel and MSNBC — and occasionally on "NBC Nightly News." The union hopes the messages might compel the U.S. Postal Service to scrap plans to start closing locations after mid-May to save tens of billions of dollars. The first message stars several people that would be affected by closures — postal workers, small-business owners and elderly people who rely on mail deliveries of medication.


 [BusinessWire](#): Pitney Bowes Software, a global leader in customer data, analytics and communications management, today announced a series of tips to help businesses navigate the highly complex geographical component involved in various tax calculations. During an audit, many U.S. businesses discover that inaccurate or outdated geolocational data has led them to take too much or too little tax on customer payments or employee withholdings. For example, if a residential property line or a municipality's boundary moves in any direction, it could have important tax implications.


 [Post & Parcel](#): PostNL Parcels has moved to strengthen its position in the Benelux region with the acquisition of trans-o-flex operations in the Netherlands and Belgium. The acquisition also hands PostNL a 7.2% shareholding in the pan-European EURODIS logistics network, which operates through a partnership of independent operators in 34 countries.


 [Advertising Age](#): Almost two years after Conde Nast started putting its magazines on the Apple iPad, its advertisers are finally getting one of the promised benefits: regular information on each issue's tablet readership, down to its individual ads. Conde Nast, the publisher of magazines such as Glamour and Wired, recently gave advertisers metrics concerning tablet editions of its January issues. It now plans to give advertisers data on each new issue about 10 weeks after it comes out. The basic metrics that advertisers can expect will include: the magazine's paid tablet subscriptions and single-copy sales during the reporting period the number of readers that actually opened the issue's tablet edition, including print subscribers using their complimentary digital access the total number of times that readers opened it and the time that readers spent with it. Each marketer that pays Conde Nast for a premium ad or at least a hotlink will get even more interesting information: how many readers accessed its individual ad, the total number of times that ad was displayed, the average time readers spent on it, and how all those results compare with the issue's advertising as a whole.


 [Lewisboro Ledger](#): Despite incredible customer loyalty, delivering 703 million pieces of mail daily, through rain, snow, sleet and hail, six days per week to American homes, the USPS is near bankruptcy. This year's \$8.5-billion deficit has the post office losing \$23 million per day, among other problems. Between online bill paying, FedEx and UPS shipping and digital communication, there is virtually no need for the post office. So, one might ask, "Why don't we just shut it down? It is federal money being lost, after all!" There will always be a need for delivery of hard copies of mail and there is no dispute that regardless of the current economic situation, the USPS remains the cheapest way to physically send standard mail nationwide.

 [Public CEO](#): Election officials are trying to work to get ahead of scheduled postal center closures that could delay ballots and leave thousands of voters potentially disenfranchised. In response, some are discussing changes to how California counts vote-by-mail ballots. *[EdNote: Maybe these state and local election officials should start asking Congress how vote-by-mail ballots are going to be counted when the Postal Service is just flat-out of money. And raising rates without eliminating costs will only make things worse.]*

 [Hellmail](#): Ofcom, the new postal regulator, is proposing that Royal Mail will be allowed to set its own prices for first class post. The price of second class will remain regulated by Ofcom. As part of these new proposals Royal Mail could be allowed to increase the price of a first class stamp significantly from April 2012.


 [Hellmail](#): Swiss Post International's operating income increased by 61 million euro to 632 million euro last year. Its operating profit (EBIT) increased by six million euro to 41 million euro. Return on sales grew to 6.5 percent.


 [Statesman Journal](#): As the Senate looks for a financial fix for the U.S. Postal Service, Sen. Jeff Merkley, D-Ore., contends that rural post offices deserve to stay in business even if they lose money. *[EdNote: Oh, good law making. Let's spend money we don't have.]*


 [Toronto Star](#): Labour Minister Lisa Raitt has appointed a new arbitrator with ties to the Conservatives to settle a contract between Canada Post and its 48,000 postal workers. Raitt has named Guy Dufort, a retired labour lawyer who ran twice for the Conservatives, to replace retired Ontario judge Coulter Osborne, who quit last November after the union went to court to challenge his appointment. A Federal Court judge later sided with the Canadian Union of Postal Workers, arguing that the arbitrator should be bilingual. Dufort is bilingual and has offices in both Montreal and Ottawa. The union is also challenging the back-to-work legislation which was brought in last June after Canada Post locked out its workers following rotating strikes.



Did you miss PostCom's **National Postal Forum preview**? Don't worry. You can still see the [slides](#) and [listen to the recording](#).

 [The American Spectator](#): Let's say you own a store with a good clientele, but sales have been slipping in recent years. A new store with new products has faster service at lower prices and is open 24/7. You're losing money. What do you do? You consider two approaches. You could slash costs and service and hope the money saved would put you back in the black over time. Or, you could streamline your business, improve your product and/or add new ones and give your customers better service. As a business person who understands human nature and the nature of markets, you'll choose the second approach. The U.S. Postal Service, understanding neither, is choosing the first.


 [Wall Street Journal](#): Republicans are likely to unveil a budget plan next week that will cut 2013 federal spending below the level the two parties negotiated last August, prompting Democrats to complain that they are renegeing on the agreement. GOP leaders respond that the figure, reached after tough talks and sacrifices by both sides, always was intended as an upper limit, not an ironclad amount. *[EdNote: Get ready, kiddies, here we go again.]*


 [Wall Street Journal](#): Edward S. Lampert's hedge fund has stepped in to make sure vendors continue to supply Sears Holdings Corp. stores by assuming some of the risk of financial institutions that provide a form of insurance to the vendors. Sears, which lost \$3.1 billion last year, has suffered six straight years of sales declines at stores open at least 12 months. In December, the company said it was closing up to 120 big stores out of about 2,200, and said last month it was spinning off its more than 1,200 smaller franchise locations. *[EdNote: Wonder what's the plan for the Postal Service.]*





[At the Postal Regulatory Commission](#): Audio Recording of PRC Public Meeting on March 14, 2012


[http://www.prc.gov/prc-docs/home/whatsnew/Monthly\\_Meeting\\_03142012.mp3](http://www.prc.gov/prc-docs/home/whatsnew/Monthly_Meeting_03142012.mp3) 


 [Direct Marketing News](#): North American advertising spend is projected to increase 3.6% to \$171 billion in 2012, said Jonathan Barnard, head of publications at ZenithOptimedia. The marketing services firm's advertising projections predict the **most growth will occur in mobile advertising**, with mobile ad spend expected to increase 48% to \$1.2 billion, compared with 2011. Despite the steady decrease in print advertising spending, particularly in newspapers and magazines (expected 2012 declines of 8% and 3% respectively), **direct mail has and will continue to hold steady**.


 [Multichannel Merchant](#): Bucking a trend seen by b-to-c retailers, poor sales in its direct channels has hurt apparel merchant Frederick's of Hollywood. Though company chairman and CEO Thomas Lynch attributed a net sales decrease for the second quarter ended Jan. 28 to post-Christmas clearance sales, it was the second straight quarter that direct channels have put Frederick's sales in the red. For the quarter, net sales at Frederick's decreased less than 1% to \$32.5 million from \$32.6 million. While store sales increased 5.3%, its **catalog and website sales decreased 5.4%**.


 [Agenzia Giornalistica Italia](#): The Italian Antitrust Authority has launched an inquiry of Poste italiane for possible abuses in mail services. The government-owned postal service company may have made improper use of its position as the sector's provider. The preliminary investigation "must ascertain whether Poste italiane S.p.A. applies a price without VAT for its clients even in cases of privately negotiated service agreements, thereby creating offers that competitors cannot match."


 [Post & Parcel](#): Hopes are growing that some kind of progress within the US Senate regarding critical postal reforms could come within the next few weeks. Senate Bill 1789 – the 21st Century Postal Service Act – passed out of committee last November, seeking to reform healthcare and pension funding at the US Postal Service, and assist restructuring, to restore its financial sustainability in the light of drastically reduced mail volumes. The Bill, which sought to delay any move to abandon Saturday deliveries by at least two years, has since stalled on its way to a hearing in front of the full Senate. Alternative postal reform proposals are also currently sitting in the House of Representatives awaiting a floor hearing. The Issa-Ross Bill seeks to put USPS into a form of receivership, installing a control authority to force through cost-cutting regardless of union lay-off protections. Congress does have another recess period during the first two weeks of April, which would delay matters further.

 [Government Executive](#): The U.S. Postal Service has filed a request to keep the results of a revenue study private, but disputes a lawmaker's claim that the agency is trying to keep the report hidden. Agency spokesman Dave Partenheimer disputed the term. The results "are available for inspection and review by case participants who are required to adhere to the commission's terms for access to nonpublic information filed under seal," he said.

 [Salon](#): After a stopgap measure last year, Congress will once again debate whether the United States Postal Service as we know it can survive. The better question is: Will Congress let it? "Under the existing laws, the overall financial situation for the Postal Service is poor," says CFO Joe Corbett. Republicans have been more dire, and none more so than Oversight Committee Chairman Darrell Issa, who warned of a "crisis that is bringing USPS to the brink of collapse." Listening to Issa, you'd never know that the post office's immediate crisis is largely of Congress's own making.

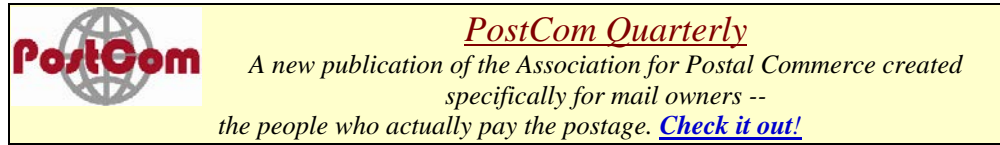
 [DC Velocity](#): In a famous scene from the 1967 film "The Graduate," a man approaches recent college graduate Benjamin Braddock at a party and whispers one word of advice in Braddock's ear about his future career: "Plastics." In that spirit, one can almost envision Benjamin Franklin, the founder of the U.S. Postal Service (USPS), pulling Paul Vogel, USPS's president and chief marketing and sales officer, aside at a function and whispering one word in Vogel's ear about the post office's direction: "Parcels." Unlike Braddock, who recoiled at the idea of choosing plastics as a career, the 61-year-old Vogel, who runs all sales, marketing, and domestic and international product development and management, would likely be receptive to Franklin's advice. Though far from being the tail that wags the postal dog, parcels are becoming an increasingly critical part of the quasi-governmental agency's present, and more importantly, its future. Vogel also believes USPS is in the sweet spot of the shipping segment.

 [Broadcast Newsroom](#): Zumbbox, in conjunction with Computershare Limited (ASX: CPU) and Salmat (ASX: SLM), today announced a new joint venture -- Digital Post Australia -- the first digital postal system in Australia. This unique private utility will deliver and archive digital postal mail for every household in Australia later this year.

 [Lifehacker](#): Digital Post Australia is planning to introduce a "free online postal service which allows you to receive all your essential postal mail, in one central and secure online location". I've already got one of those; it's called email. Consumers don't pay, but vendors will presumably cough up to use the service. That might be cheaper than physical mail, but the reality is that most service providers already offer the option of getting an email bill. Indeed, many charge a fee if you insist on a postal bill. And if you want to consolidate your bills, some banks offer


that as part of their online banking platform. Between email and various social networking services and my mobile phone number, I already have quite enough inboxes. Having to set up a separate one just for my bills isn't going to help.


*March 14, 2012*





A new report has been posted on the U.S. Postal Service Office of Inspector General website (<http://www.uspsoirg.gov>). If you have additional questions concerning a report, please contact Wally Olihovik at 703-248-2201 or Agapi Doulaveris at 703-248-2286.


[Density of First-Class Mail on Air Transportation \(Report Number NL-AR-12-003\)](#). Our report determined the U.S. Postal Service is not always filling up letter trays and flat tub containers when transporting First-Class Mail (FCM) by air. We determined that low mail container density exists, in part, because management is not always segregating FCM containers properly to facilitate consolidation, properly setting flat sorting machine sensors to fill containers, or using 1-foot letter trays when practical. They are also running machines with identical and similar sort programs for mail to the same destinations. Consequently, the Postal Service spent more than \$27.3 million in excess air transportation costs over a 1-year period.


 [At the Postal Regulatory Commission](#): The PRC Web Site has posted new documents. Go to <http://www.prc.gov/prc-pages/daily-listing/default.aspx?docketpart=Dailylisting&docketid=03/14/2012>. If the hyperlink does not appear in your window, copy and paste the link into your browser's address bar.


 [The Mirror](#): The Royal Mail today launched an inquiry into dog attacks after it emerged around 11 postmen a day are being bitten on their rounds.

 [Publishing Executive](#): Here are 34 things you can do with printed magazines that you can't do, or do very well, with electronic magazines.

 [PostalReporter News Blog](#): Rep. Gerry Connolly (D-Va.) has filed a motion with the Postal Regulatory Commission to make public "all documents and communications related to the United States Postal Service's market research information file as Library Reference, USPS-LR-N2012-1/NP14 and NP1, filed on March 6, 2012 and December 5th, 2011 with an application for non-public status." (Mail Processing Network Rationalization Service Changes, 2011 and 2012)

 [Washington Post](#): With Congress enduring some of its lowest approval ratings in history, what is it going to take to restore the reputations of the House and Senate? A Senate panel plans to review several options Wednesday that would revamp the rules and functions of the House and Senate (or — as we like to call them around here — the 2chambers). The hearing comes as Americans remain deeply pessimistic about Congress: One-third of voters approve of the way congressional Democrats are doing their jobs and just 23 percent rate the Republicans favorably, according to a Washington Post-ABC News poll released Tuesday.


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


 Deutsche Post significantly increased its profits and recorded a slight growth in turnover in 2011.


 Despite a 3% decline in mail volume, French La Poste was able to increase its turnover by 1.9% to 21.3bn euros in the last business year.


 Spain's antitrust authority (Comisión de la Competencia - CNC) announced the launch of a


new investigation against Correos. The authority -looks into prima facie evidence of a violation of a dominant market position- by Correos.

 There seems to be no end to Poste Italiane's IT problems. Services were again crippled in all post offices in the country due to an IT glitch.

 Further details about French La Poste's plans to introduce an employee stock option have come to light. The unions still don't welcome these plans. -The employee stock option plan stands for the transfer of entrepreneurial risks on La Poste's employees', Bernard Dupin, chairman of the union CGT, commented on the plans.


 Austrian Post filed a complaint against the conversion of residential letterboxes as laid down by the postal law. Even though Austrian Post could retrieve some of the money from its competitors, this is only a theoretical option, as only privately run postal services with an annual turnover in excess of 1m euros would have to pay - and there are none in Austria.


 Austria's vice-chancellor Spindelegger plans to dispose further shares of Austrian Post. According to unanimous media reports the vice-chancellor and his Austrian People's Party (ÖVP) demanded that the government should only retain the blocking minority of 25%.


 DHL plans an extensive expansion of its US hub in Cincinnati.




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.)*


 [Dead Tree Edition](#): Fellow print lovers, it's time to stop pretending that electronic publications aren't real magazines or that print is always superior to digital. The healthiest approach is to drop the either/or thinking and recognize that printed magazines are a niche medium. Print publications are subject to postal delays and don't have hot links to related articles. E-readers don't stand up well to a cup of spilled coffee or a day at the beach. An iPad app isn't much good to a NOOK owner. Browser-based editions seem convenient, unless you don't have a wi-fi connection. But they all have their place. They can all be profitable niches.


 [LinkedIn](#): The Direct Marketing Association (DMA) today released its Quarterly Business Review (QBR) for the fourth quarter of 2011. For the first time in at least half a decade, a majority of US marketers said their quarterly direct and digital marketing expenditures grew compared to the same period last year — suggesting that the slow, uneven recovery that has followed the crippling recession of 2008-2009 may have reached an effective tipping point, with both marketers and the supply chain that supports them firmly back in “growth mode” after a period of prolonged caution and uncertainty.


 [American Postal Workers Union](#): In response to a motion filed by the APWU, the Postal Service admitted March 9 that it has not considered the combined effect of several of its major proposals, including plans to: Degrade service standards; end overnight delivery for first-class mail and periodicals, and slow mail delivery in general; Consolidate more than 220 mail processing facilities; Close 3,600 post offices; Eliminate Saturday mail delivery, and Raise postage rates. In a document [[PDF](#)] filed with the Postal Regulatory Commission (PRC), the Postal Service declared that it “has conducted no ‘combined impact’ analysis” of the proposals. The USPS filed the document in response to an APWU motion that sought to compel the Postal Service to provide testimony about how it weighed the cumulative effect of the pending changes. The APWU motion [[PDF](#)] to the PRC asserted that the combined effect of the changes will be greater than the sum of their parts. Together they will de-value postal products, undermine customer loyalty, reduce demand for postal services, and increase USPS financial problems.


 [Save the Post Office](#): The Postal Service's Big Hurry to consolidate 223 mail processing plants may be running into serious speed bumps. The AMP studies don't add up to anything like what the Postal Service says it will save


nor do they reveal where most of the 35,000 eliminated positions will come from. Now there's news of a market research study on potential revenue losses the downsizing initiatives may cause that the Postal Service chose not to tell anyone about — and that it still wants to keep under wraps.

 [San Francisco Bay Guardian](#): Nobody writes letters any more. My kids barely know what a letter is. We pay our bills online, and when we buy crap valuable consumer items from Ebay or Amazon, they arrive in a UPS truck. With direct deposit, people don't even get benefit checks in the mail. Plus, the Post Office is so much a part of old-fashioned government, an agency that people used to relate to in a positive way. These days, it's all about bloat and pensions and crazy people. So it's not surprising that conservative politicians would just as soon shut it down, get rid of employee pensions and eliminate one more part of the public sector. But there are times when the postal system really matters -- elections, for example.


 [Virtual Strategy](#): Neopost USA will be presenting the first in a series of online webinars on Thursday, March 22, 2012 from 1:00 – 2:00 PM EST. With today's news filled with stories about the state of the United States Postal Service (USPS®) and recent rate changes, Neopost USA has designed this webinar series to address frequently asked questions to help businesses limit the impact of rising postage costs and learn how to leverage existing rates and services to minimize expenses.


 [The Hill](#): Senate Majority Leader Harry Reid (D-Nev.) sounded a bit impatient on Tuesday about the pace of postal reform negotiations, and pledged to move legislation on the matter in the coming weeks. Supporters of a bipartisan postal bill — from Sens. Joe Lieberman (I-Conn.), Susan Collins (R-Maine), Tom Carper (D-Del.) and Scott Brown (R-Mass.) – had hoped their measure would hit the floor weeks ago. But a group of Democratic senators, led by Sen. Bernie Sanders (I-Vt.), has expressed some concern with that bill from the Senate Homeland Security Committee, and Sanders has said he is working on his own plan to reform postal operations with a group of senators.

 [Post & Parcel](#): La Poste began its consultative programme today to hear concerns from staff and their unions, after this weekend saw the second suicide at the company in the space of just 10 days.


 [National Association of Major Mail Users](#): Labour Minister Lisa Raitt has appointed Guy Dufort as the new arbitrator in the negotiations between Canada Post and the Canadian Union of Postal Workers (CUPW). Mr. Dufort will become the arbitrator effective March 19, 2012 and replaces previous arbitrator, the Honourable Justice Coulter Osborne, who stepped down last fall. In announcing Mr. Dufort's appointment, Minister Raitt noted that the arbitration process between Canada Post and CUPW will now start over from the beginning. Minister Raitt also made clear that Mr. Dufort will not be bound by any previous decisions made by Justice Osborne. A retired labour relations lawyer, Mr. Dufort has worked in a number of economic sectors, including radio and television, the food industry and among aerospace companies. He has argued cases before the Supreme Court of Canada and the Canadian Human Rights Tribunal. Under the terms of arbitration, Canada Post and CUPW will each present a final offer to Mr. Dufort that includes language with the terms and conditions of a proposed new collective agreement. Mr. Dufort will review both the company and union offers, as well as their supporting arguments, and then select either Canada Post's or CUPW's offer in its entirety.


***March 13, 2012***

 [PRWeb](#): New research report "RFID for Postal and Courier Services 2011-2021" worked out by IDTechEx has been recently published by Market Publishers Ltd. According to the report, the global market for RFID systems, including tags, in postal & courier sector will be worth USD 2.5 billion by 2018, with a potential to be much bigger in case current efforts to tag individual items gain widespread acceptance.

 [Baltimore Sun](#): Digging out of the financial chasm will require congressional action, and lawmakers are considering several reform plans. As they do, members of Congress should make every effort to preserve this critical and beloved American institution. They can start by adhering to these three core principles:

- Minimize harm. Reform efforts should attempt to protect economically and socially vulnerable communities like those on the Eastern Shore, as well as to the 574,000 Americans who count on the postal service for good, middle-class jobs.
- Address the real problems. Declining mail volume is a problem, but Congress should also reform or repeal burdensome legislative mandates, including a 2006 requirement that the postal service pre-fund 75 years' worth of retiree health benefits over just 10 years. This law placed an unprecedented financial burden on the postal service during the worst economic downturn since the Great Depression.
- Refrain from additional burdensome mandates. Congress should give the postal service more flexibility, not less, by rescinding legal restrictions on the kinds of activities it can conduct. This will allow the postal service to create a business model for the 21st century — while retaining delivery services essential for the public good.


 [Reuters](#): Deutsche Post DHL had a good start to the year and sees continued robust Asian demand for express delivery services bolstering its business in 2012, its chief executive said. "Despite the rather moderate forecasts made by macro economists, we see that the overall positive developments from the last quarter are continuing into the new year," Frank Appel said.

 [Courier, Express, and Postal Observer](#): In this final part of the interview, Gene Del Polito, President of the Association of Postal Commerce presents the case for eliminating the mailbox monopoly and an American approach to privatization. By combining these ideas with his recommendation that the Postal Service have the ability to contract out any activity that was discussed in the preceding part of this interview, Mr. Del Polito presents a case for policy changes that go beyond the changes that lobbyists for the mailing industry have promoted to date.





Hurry up! It' your LAST CHANCE to sign up for PostCom's FREE Pre-NPF webinar with Rose Flanagan.


Reserve your Webinar seat now at: <https://www1.gotomeeting.com/register/255358056>

 [Courier, Express, and Postal Observer](#): In the first three parts of this interview, Gene Del Polito, President of the Association for Postal Commerce laid out his opinion regarding the prospects for legislation and what could happen if no legislation passes. In this section of the interview, Mr. DelPolito presents a different approach for postal reform His approach removes all restrictions from contracting out postal operations. Mr Del Polito concludes this section with a discussion of the problems that catalog and periodical mailers have with the Postal Service. He states that these mailers should be free to find another supplier to sort and deliver their mail to the mailbox if the Postal Service cannot provide the service quality they need at a price they can afford.





 [American Postal Workers Union](#): The APWU is launching the next phase of its television ad campaign, with spots to begin airing on CNN, MSNBC, and FOX News on Wednesday March 14, President Cliff Guffey has announced. The ads also will appear in a limited run on NBC Nightly News. In the new ads, postal workers and customers talk about the importance of the Postal Service to our nation — and the devastating effect closing post offices and consolidating mail processing plants would have on our communities and our economy. The ads are slated to run through mid May. The latest phase of the union's public outreach campaign takes place at a critical juncture: A moratorium on closings and consolidations is set to expire on May 15. The moratorium is intended to give Congress a chance to act on legislation to resolve the USPS financial crisis — without imposing drastic cuts in service and jobs.


 [Chicago Tribune](#): "How to Fix the Postal Service: Besides cutting offices and employees, it could try to best its competitors...or join forces with them"

 [Long Beach Business Journal](#): Large customers entrenched in the mail system may soon have to conform to a new arrangement if the U.S. Postal Service (USPS) consolidates mail processing centers and eliminates first-class


mail service this year. So far, no changes are expected for standard deliveries. But if new cutbacks are enacted, large businesses and users that send out bulk mail at processing centers may have to make adjustments to assure timely delivery. The USPS is working to accommodate customers that have large volumes of mail, such as bills and election ballots, which are given priority over standard mail on a case-by-case basis.


 [National Journal](#): The U.S. Postal Service on Monday defended its top executive pay in the face of anticipated new legislation that would place a lower cap on executive salaries and bonuses.


 [The American](#): Last week, I pointed out that the U.S. Postal Service is in danger of needing a taxpayer bailout. My post received a great deal of feedback in the comments section; unfortunately, many do not appreciate the nature or magnitude of the unfunded liabilities that the Postal Service has incurred since its inception, and where those unfunded future liabilities stand today. Unfunded liabilities are obligations that the Postal Service has incurred due to its operations, mostly in the form of retiree healthcare and pension liabilities.


 [Sun Gazette](#): U.S. Sen. Bob Casey, D-Scranton, has thrown his support behind keeping the U.S. Postal Service facility in the city open. The lawmaker released a statement in which he doubts the U.S. Postal Service can "successfully create additional demand for its services" while reducing capacity and increasing the distance it must be transported to be processed. Casey stated he has been contacted by a "significant number" of postal customers, workers and members of the business community concerned about closing the mail processing center on Reach Road and moving those operations to Harrisburg. Barring an act of Congress, the move could occur before May 15. Casey spokesman John Rizzo said the lawmaker is hopeful the move can be prevented.


### *March 12, 2012*

 [Reuters](#): United Parcel Service will only sweeten its 4.9 billion euros (\$6.4 billion) bid for Dutch parcel-delivery firm TNT Express by a symbolic amount at best, three sources close to the talks said. The U.S. firm has little incentive to improve its offer of 9 euros per share given TNT's poor results and the absence of a counter bidder, the sources said.

 [Forbes](#): Why do I get the feeling that many marketers today look at direct mail the way people look at the Jurassic Period? Well, to those marketers I would simply say beware of the dinosaur, because T-Rex is not only not dead, he is still very relevant and very important. Direct mail surprisingly transcends the age demographic, with younger consumers (the 18- to 34-year-old demographic) preferring to learn about marketing offers via postal mail rather than online sources, according to national survey research.

 [WIBT](#): Second Congressional District candidate Heather McTeer is rallying up support from the community prior to Tuesday's primary election. The Democratic candidate and supporters met across the street from the North Station post office on Northview Drive in Jackson Monday morning. The former Mayor served two terms as Greenville's Mayor. McTeer is running against 2nd Congressional District incumbent, Congressman Bennie Thompson. When it comes to jobs, McTeer says she'll do everything she can to help prevent the possible closing of local post offices. "When you talk about closing postal services here you're talking about impacting rural communities, we're talking about our elderly and the disabled population, we're talking about jobs and really the savings they're looking at is nowhere in comparison to the impact that it has on the people in these communities," said McTeer.


 [Courier, Express, and Postal Observer](#): Everyone who follows the postal reform debate understands the differences in reform proposals put together by liberals, moderates and conservatives. Given the nature of these proposals, you would think that liberals would be most dependent on mail for their communications needs and least connected to the web and conservatives would be the the most web-connected segment of the American electorate.


 [Courier, Express, and Postal Observer](#): In the previous two parts of the interview, Gene Del Polito reviews the prospects of both comprehensive and more limited postal reform legislation. Mr. Del Polito clearly finds passage of H.R. 2309 ("Postal Reform Act") nor S. 1789 ("21st Century Postal Service Act of





2011) unlikely before the election and has indicated that even more limited legislation faces obstacles either prior or after the Presidential election. In this part of the interview, Mr. Del Polito explains why economic policymakers should be concerned about the future of the Postal Service today.


 **Center for Research in Regulated Industries:** April 6th Workshop: "Postal Reorganization" On April 6th in Washington, D.C. there will be a one day workshop held at the offices of Venable LLP. The array of speakers includes: Robert Taub, Commissioner, U.S. Postal Regulatory Commission; David Williams, Inspector General, USPS-OIG; Ronald A. Stroman, Deputy Postmaster General, USPS; Fred Rolando, President, National Letter Carriers Association. For further details and registration see, <http://crri.rutgers.edu/WS/>.


 **Post & Parcel:** Ireland's An Post is working with motor manufacturer Renault Ireland to trial the postal service's first electrically-powered vehicles. The project will see the Irish universal postal service provider testing out a Renault Kangoo Z.E. mini van directly in comparison with its traditional diesel counterpart, in a like-for-like study over postal routes in city areas.




The U.S. Postal Service Office of Inspector General invites you to comment on the following: This week's "Pushing the Envelope" blog topic: *Week Two in our "Five Elements of a Postal Solution" blog series.* [\*\*What would an optimized Postal Service infrastructure look like in the 21st century and beyond?\*\*](#) The


U.S. Postal Service's infrastructure was built to handle a much greater mail volume than it currently handles today. What will the Postal Service network of the future look like? Our guest bloggers, Cliff Guffey, President, American Postal Workers Union; Alan Robinson, President, Direct Communications Group; and John Callan, Managing Director, Ursa Major Associates, LLC, will share their ideas throughout the week. Join in the conversation and share your ideas on our [blog](#).

 **White House:** President Barack Obama has announced his intent to nominate the following individuals to key Administration posts: Katherine C. Tobin – Governor, Board of Governors of the United States Postal Service....Dr. Katherine C. Tobin served as Deputy Assistant Secretary for Performance Improvement at the Department of Education from May 2009 to February 2011. From 2006 to 2009, Dr. Tobin was a member of the U.S. Postal Service Board of Governors, where she was Chairman of the Board's Audit and Finance Committee. She was a Senior Market Research Manager at TNS from 2003 to 2005 and at Catalyst, a nonprofit working to advance women in business, from 1998 to 2003. In 1994, she founded the Leadership Institute, LLC, which advised corporations on market research and management issues. Earlier in her career, Dr. Tobin worked in management and development for a diverse group of educational and corporate institutions, including Manhattanville College, the University of Nevada, Stanford University, and Hewlett-Packard. Dr. Tobin earned a B.A. from Skidmore College, a M.A. from the University of Massachusetts' School of Education, and a M.A. and Ph.D. from Stanford University's School of Education.


 **Courier, Express, and Postal Observer:** The first part of the interview with Gene Del Polito concluding that no legislation proposed "would set right all that is wrong with the Postal Service's current fiscal situation, ensure the Postal Service's ability to operate on a self-funded (no taxpayer money) basis, and ensure the Postal Service's ability to satisfy the nation's continuing (albeit evolving) postal needs for the reasonably foreseeable future." This statement clearly needs further explanation as does what options are there if his conclusion that no legislation currently on track for consideration on the floor of the House of Representatives or Senate has a reasonable chance of passage. This section of the interview gives his thoughts on those key issues.





 **Financial Times:** The merger of TNT Express and UPS could face increased regulatory scrutiny due to the potential risk of collusive behavior among the remaining players in the market, competition lawyers told dealReporter.

 **Digital Journal:** Jim Fitzgerald, President and CEO of Taradel LLC, is featured in this month's issue of Deliver Magazine, the popular direct marketing publication produced by the USPS. In the article titled, "The Million Door Mark," Fitzgerald's company is profiled for producing "more than one million pieces for the Every Door Direct


Mail™ program." Even more exciting, Taradel has more than doubled those numbers (producing and mailing nearly 2.5 million pieces via the USPS) since the article was published. Based in Richmond, Fitzgerald's Taradel LLC is now the country's leading provider of turnkey Every Door Direct Mail™ solutions. With more than twenty-five thousand small business accounts, Taradel understands the needs and challenges facing independent restaurants, medical practices, and other small to medium-sized business operations across the country.

 [24-7 Press Release](#): Pitney Bowes today announced it is expanding the availability of its Reliant Sorting Solution to the European Market, where its small-footprint design and robust capabilities will help small private posts provide fast, accurate and flexible services to their customers. The Reliant can also meet the needs of in-house and interoffice sorting applications.


 [FedSmith](#): Rep. Kathy Hochul (D-NY) has introduced legislation to limit pay of executive officers of the Postal Service to the same level of pay as members of the President's Cabinet. Pay of Cabinet members was \$199,700 in FY 2012. While almost \$200,000 a year may seem like a lot, it would represent a roughly 48% decrease from the \$384,229 compensation package given to Postmaster General Patrick Donahue in 2011. Recent news announcing that the Postmaster General received a base salary of \$271,871 in 2011, along with \$81,954 in pension and deferred compensation and \$30,404 in "other" compensation, including security costs, life insurance premiums, and parking and financial planning services for a total of \$384,229 sparked calls for pay cuts to executive compensation. Add to the high salary the massive financial losses of the Postal Service (it reported a \$5.1 billion loss in FY 2011) and critics were saying that the high pay was not justifiable.

 [Financial Times](#): For individuals missed deliveries are just one of the many annoyances of modern life but for express parcel companies they are a symptom of a deeper challenge: the rise of e-commerce and with it, pesky residential deliveries. Success has been hard won. At the heart of the problem lies the nature of e-commerce parcels. While traditional orders usually involve large volumes travelling regular routes to densely packed business customers, online orders revolve around deliveries to individual homes. Such deliveries seem almost designed to cause grief. Addresses are spread out, orders are highly seasonal and customers are often not at home. Moreover, lightweight parcels of books and CDs command low prices and competition further depresses yields. In response, logistics companies focused on reducing so called 'last mile' delivery costs, which can make up three quarters of overall supply chain costs, by re-aggregating demand at central drop off and pick up points. Over time logistics companies have developed other responses. UPS My Choice is one example. Launched in October the service sends subscribers an alert before their packages arrive, reducing the number of missed deliveries, increasing driver productivity and improving customer satisfaction. FedEx offers similar options, as well as evening and Saturday deliveries, through its Home Delivery service launched early in the last decade specifically to address the needs of residential deliveries and e-commerce.


*March 11, 2012*


 [PC World](#): Mobile payments will become ubiquitous -- really, this time -- in the next few years, according to a panel discussion at the SXSW conference Saturday. Unlike previous failed efforts to allow consumers to pay by tapping their mobile phones at points of sale instead of swiping credit cards, the new push to expand mobile payments is focused on transforming shopping, said Ryan Hughes, chief marketing officer of Isis, consultant Toni Merschen, and representatives from the digital security firm Gemalto. Previous efforts to take mobile payments to the mainstream failed because shoppers saw little benefit in trading a payment card for a phone, and because merchants have been loathe to invest in new devices to accept payments. By contrast, the new model put forth by Isis would allow consumers to consolidate credit cards and customer loyalty cards in a wallet app that they can use to unlock deals when they enter a store.

 [Wall Street Journal](#): "Greece Looks Past Default" [*EdNote: USPS stares it in the face.*]


 [Mirror](#): Second-class letters are now taking up to ELEVEN days to reach their -destination. That's eight days longer than the Royal Mail's target of three working days. The staggering delay is based on a survey by Labour's postal affairs spokesman Ian Murray, who got researchers to post items from a central London postbox to -addresses across the country. They found the average delivery time was six working days and not one item met the Royal Mail


target. Yet next month a second-class stamp is set to rise from 36p to as much as 55p. And a cap on first-class stamps could be removed this week, meaning they could rise from 46p to more than 60p.


 [Hellmail](#): Without a doubt, the Royal Mail is under pressure and I can't begin to map out just how much pressure or in how many areas. With a massive restructuring programme still under way in order to more closely match its modern business model and still hampered by regulation, the Royal Mail is fighting a marked drop in traditional stamped mail. Some have incorrectly assumed that the rise in e-packages has made up for the losses incurred through a more competitive marketplace and a decline in letters but this has not been the case. Besides, the existing network is set up for a business model that barely exists now and to compete, the Royal Mail needs the equipment to do so.


 [Dead Tree Edition](#): The U.S. Senate approved a concept this week that, if applied to the U.S. Postal Service, could be a big help both to the beleaguered agency and to many of its employees. As written, the "phased retirement" amendment may not even apply to USPS and would not be particularly relevant to the financially strapped independent agency. But the concept of enabling retirement-eligible employees to switch to part-time status without messing up their benefits could offer the Postal Service a relatively employee-friendly method of reducing costs.


### **March 10, 2012**

 [Reddit](#): *Rep. Darrell Issa (R-CA)* -- "Congress has created a web of restrictions and unfunded mandates. Rather than adding more mandates, underfunding earned benefits of employees, or starting to subsidize USPS with taxpayer money Congress needs to give USPS the tools to cut costs and the freedoms to adapt to the 21st century use of mail."



 [The Oklahoman](#): It's a high-tech training center and an award-winning hotel. The National Center for Employee Development provides training to U.S. Postal Service employees from across the country, using proprietary U.S. technology. The center, one of the largest employers in Norman, is opening its doors wider to the public as the Postal Service's need for training is declining.

 [Hightower Lowdown](#): From the gated enclaves and penthouses of the ueber-wealthy to the inner-city ghettos and rural colonias of America's poorest families, the US Postal Service literally delivers. All that for 45 cents. And if you've written the wrong address or your recipient can't be found, you'll get your letter or package back for no charge. The USPS is an unmatched bargain, a civic treasure, a genuine public good that links all people and communities into one nation. So, naturally, it must be destroyed.

 [Rep. Kathy Hochul](#): Congresswoman Kathy Hochul today announced plans to introduce legislation limiting compensation for executive officers of the United States Postal Service to the same level of pay as the President's Cabinet. In 2006, a law was enacted providing senior officers of the USPS with salaries up to 120% of the Vice President's salary, as well as authorizing bonuses for these postal executives if approved by the Postal Service Board of Governors. Congresswoman Hochul's legislation would reinstate the longstanding policy of paying the Postmaster General and other USPS executives at the same level of pay as the President's Cabinet (\$199,700 in FY2012). *[EdNote: It was an act of Congress that precipitated today's postal crisis. Congress has done bupkus to fix it, and now members of Congress want to cut postal pay. Time to tell 'em to take this job and shove it.]*

 [KY3](#): Cutbacks at the mail processing center here will likely affect more than just employees of the post office. Dozens of small, locally-owned trucking companies could be left with a lot fewer packages and letters to haul. Most of these trucking companies work on a contract basis with the U.S. Postal Service. A lot of questions remain about what happens to their routes once the mail center shuts down sometime this year. Moving mail between the postal processing center in Springfield and the hundreds of towns across the Ozarks is a 24-hour-per-day task. Most of it's done by dozens of locally-owned contract trucking companies. With the USPS moving Springfield mail processing to Kansas City, some local trucking companies feel left in limbo. "We employ a lot of people, about 48 individuals on a daily basis, so it's a big part of our business. We are concerned about the future," said Billy Peck Jr. or Thunder

Ridge Transport. "We have got over 100 employees, and that's 100 people, 100 families," said Montgomery. Many companies say they're getting few answers from the USPS.

 **Wall Street Journal:** "Greece Defaults, and Tries to Move On" Greece will reap fast relief from a historic €200 billion (\$266 billion) debt restructuring sealed Friday, but the default isn't likely to end the debt-strapped country's epic financial problems. "Their problems are much greater than the solution that is in front of them," says Pawan Malik of Navigant Capital in London. "Greece's ability to come back to the market as a functioning and solvent sovereign is very doubtful." The biggest immediate benefit to Greece is that its problems are put off until another day. [EdNote: Is Congress heading down the same road with the Postal Service? Grant some relief. Key cost issues remain unresolved. Put off to tomorrow what should be addressed today. Doubtful future fiscal viability. The fat lady has not yet begun to sing.] 



["This Week In Postal" \(Link fixed\)](#)



**At the Postal Regulatory Commission: [Docket No. N2012-1 Mail Processing Network Rationalization Service Changes, 2012](#) "Presiding Officer's Ruling Concerning Preliminary Scheduling of Postal Service Witnesses for Hearing"**

**March 9, 2012**




**INDUSTRY ALERT** The U.S. Postal Service announced this week that its plan to consolidate its mail processing network includes a suspension of the consolidation efforts during the election mailing season in order to avoid any adverse impact on the November election. The Postal Service will also utilize an Election Mail Task Force to work with all 50 states to develop strategies that address the questions and concerns of state and local election boards. Together, these measures will ensure the timely delivery of election-related mail.





OFFICE OF  
**INSPECTOR  
GENERAL**  
UNITED STATES POSTAL SERVICE

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.


[Oxnard, CA Processing and Distribution Facility Destinating Mail Consolidation \(Report Number NO-AR-12-004\)](#). Our report determined that a business case exists to support the consolidation of the Oxnard, CA Processing and Distribution Facility into the Santa Barbara, CA Processing and Distribution Center (P&DC) and the consolidation should produce substantial cost savings. We also determined the Santa Barbara P&DC needs to optimize staffing.


 **STA:** Aleš Hauc, the boss of postal operator Pošta Slovenije, was appointed CEO of Slovenia's second biggest bank NKBM on Friday after Andrej Plos stepped down as chairman after just a month and a half on the job.

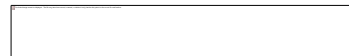
 **Post & Parcel:** The Universal Postal Union is edging closer to adopting a set of global security standards for international mail, after two years of development by its security group. The UN-affiliated organisation of 192 postal administrations around the world said yesterday that its Council of Administration and its Postal Operations Council endorsed a proposed set of standards last week. The standards could now be formally adopted at the UPU Congress in Qatar this September. They would set minimum requirements for Posts around the world to screen their inbound and outbound international mail. The UPU said the standards would reassure increasingly security-conscious civil aviation and customs organisations, setting a security baseline for the global postal network.

 **U.S. News:** To achieve long-term survival, the postal service may need subsidies in the shorter run, says one expert. "For the medium term, beyond 2016, the U.S. Postal Service offers no published plan," says John Callan, managing director of Ursa Major Associates, a consulting firm that has worked with public and private mail carriers worldwide. In his opinion, continued declines in first-class mail mean more cost-cutting. "Subsidies seem inevitable in the medium term," he says. However, obtaining those funds while improving its business model could help the

postal service stave off the need for government help in coming decades, Callan adds. Though USPS operations are not funded by taxpayer money, Congress still oversees much of its operations. Moreover, the USPS is saddled with service obligations that no private company has.

 [National Association of Postal Supervisors](#): A new survey by the National Association of Postal Supervisors (NAPS) shows that managers in the United States Postal Service believe that Congress is the foremost problem standing in the way of the Postal Service, either because Congress has interfered too much in postal affairs, or failed to enact necessary reforms to fix the Postal Service's financial crisis.


 [UPS Press Release](#): UPS is celebrating a subscription milestone with its new UPS My Choice<sup>SM</sup> service by launching a sweepstakes that could provide the winner a free vacation anywhere in the world. Almost 1 million consumers have signed up for UPS My Choice in the five months since its launch in early October. That significantly exceeds original predictions and demonstrates anew the attractiveness of technology when it makes the lives of consumers easier. With UPS My Choice, consumers can schedule their residential deliveries and avoid those "sorry we missed you" notices left on doors. There are two levels of membership, including a basic free version. Registered members receive a free phone, e-mail or text message the day before a package arrives. If the initial delivery time doesn't work, there are options to reschedule or reroute the package for a small fee. There's also the ability to go online and release packages requiring a signature. Even more control is available with an annual \$40 Premium Membership.

 [Post & Parcel](#): Deutsche Post is teaming up with German software company DATEV to jointly develop a new electronic invoicing service for small and medium-sized businesses. The new service will be based on Deutsche Post's digital mail platform E-Postbrief and DATEV's data centre, allowing organisations to send out invoices electronically via a secure system. It will mean both the companies involved and their accountants are able to gain direct, secure access to the invoices for processing.

 [PostalMag.com](#): "Network Rationalization Operational Consolidation Studies"

 [DMM Advisory](#): **IMb<sup>TM</sup> Services Update**

- **PostalOne!<sup>®</sup> MicroStrategy<sup>®</sup> Reporting Maintenance:** The PostalOne!<sup>®</sup> MicroStrategy<sup>®</sup> reporting environment (Mail Quality Reports) will be unavailable on Sunday, March 18, 2012, from 5 a.m. to 7 a.m. CDT for scheduled maintenance.
- **Business Customer Gateway Maintenance:** The Business Customer Gateway production environment will be unavailable on Sunday, March 18, 2012, from 5 a.m. to 6 a.m. CDT for scheduled maintenance. During this time, all USPS<sup>®</sup> services accessed through the Business Customer Gateway — including PostalOne!, FAST<sup>®</sup>, Mailer ID, Program Registration and eDoc submission through Mail.XML<sup>®</sup> and Mail.dat<sup>®</sup> — will be unavailable.
- **PostalOne! Release 30.0.0 and FAST Release 20.0** will deploy on Sunday, April 1, 2012. PostalOne! Release 30.0.0 will require an extended maintenance window, with an outage from 8 p.m., Saturday, March 31 to 9 a.m. CDT, Sunday, April 1, 2012. The FAST On-Line application will be unavailable from 4 a.m. CDT to 8 a.m. CDT on Sunday, April 1. FAST Web Services will not be available during the March 31 through April 1 outage. Messages sent via FAST Web Services will be queued and processed immediately after FAST Release 20.0 and PostalOne! Release 30.0.0 implementation are completed.

 [Courier, Express, and Postal Observer](#): One of the biggest concerns of readers of this blog is the long term prospects for the Postal Service. This and the next few blog posts contain [an interview with Gene Del Polito](#), the President of the Association for Postal Commerce and his opinions on:



- the current status of postal reform bill approved by the responsible committees in the House of Representatives and Senate;
- potential legislative options other than those currently introduced to date;
- impact of Congress not acting on decisions of mailers and parcel shippers to use the Postal Service;


- labor management relations;
- privatization
- government provided postal services;
- mail box monopoly; and
- other topics.


 **PostCom Members!** The latest edition of PostCom's [USPS Service Performance Update](#) is now available online.




Should the Postal Service be a competitive business, an enabling infrastructure, or something in-between?


- [Link to today's recap of this week's blog.](#)
- [Link to Thursday's blog by James Campbell.](#)
- [Link to Wednesday's blog by Steve Hutkins.](#)
- [Link to Tuesday's blog by Richard Kielbowicz.](#)


 **Post & Parcel:** TNT Post UK has re-opened a vehicle maintenance unit at its 120,000 square foot depot in Rugby, central England, to service its own vehicles and those of other firms.


 **Sen. Sherrod Brown:** With proposed U.S. Postal Service (USPS) office closures looming, U.S. Sen. Sherrod Brown (D-OH) met today with Postmaster General Patrick Donahoe to push the USPS to minimize the closure of processing centers and postal offices in Ohio, preserve rural post offices, and maintain six-day mail delivery. Brown is a cosponsor of the Postal Service Protection Act, which preserves Saturday mail delivery, restricts the closure of rural and urban post offices, and protects mail processing facilities to ensure maintenance of timely service. The legislation would address the most immediate financial problem facing the postal service by eliminating the unique requirement that the postal service pre-fund 75 years worth of future retiree health benefits in just 10 years. This mandate costs USPS between \$5.4 and \$5.8 billion per year, accounting for the Postal Service's \$20 billion in losses from 2007-2008.





 **Politico:** The economy added 227,000 jobs in February and the unemployment rate held steady at 8.3 percent, the Labor Department reported.


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


 The takeover of Royal Mail's pension fund into the public budget could yield a windfall for the British finance minister. By booking the pension fund obligations into the public budget, the government will also gain access to the fund's assets: shares, bonds and property worth about 30bn euros.


 The Federal Network Agency examines accusations that Deutsche Post attracted key account customers by predatory pricing.

 The planned privatisation of the Polish post apparently gathers pace. Michal Boni, the minister for public administration and digitalisation announced that Poczta Polska will go public in the second half of next year.


 Crisis-ridden Latvijas Pasts plans to launch a fundamental restructuring programme to prepare for the looming liberalisation of the postal market next year.


 Polish letter service Integer.pl recorded significantly risen revenues and profits last year.


 The Austrian express and parcel market grew considerably in 2011.


 For the first time regulatory authority ARCEP prohibited a planned markup by French La Poste. The post wanted to increase postage for parcels to the French overseas departments by 2.5%

and by 5% for all other international parcels.

 Canada Post sold its service provider for online traders. The Borderfree unit specialises in services for U. S. mail order companies selling goods to Canadian customers. According to Canada Post the unit was sold to focus on its core business. U. S. based FiftyOne, Inc. bought the unit. The purchase price was not disclosed.


 After three years the Romanian post returned to the black.


 Portugal's government rejected rumours about an early privatisation of CTT Correios.

 GLS Denmark increased the number of its parcel shops by 200 last year.



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

 [The Guardian](#): Britain's shabby post offices are to be given a facelift, with £1.3bn of government investment to modernise branches and extend opening hours, in a "once in a generation" opportunity to upgrade the network, Paula Vennells, its chief executive, has announced. Around 6,000 post offices, about half the 11,800-strong network, are to be revamped over the next three years, and the government has reiterated its pledge not to close any more branches.

 [emg.rs](#): Director of the Posta Srbije in Kosovo-Metohija Randel Nojkic stated that two workers of the Serbian national postal service carrying mail from central Serbia to Kosovo were arrested by the Kosovo police at the Bela Zemlja administrative crossing on Thursday evening. Nojkic told Tanjug that the arrested persons are: Dragan Marinkovic and Ratimir Trjakovic from the village of Ugljare near Kosovo Polje, adding they will be kept in 48-hour custody. The two workers of Posta Srbije were to deliver mail from Vranje to Gracanica, but they were stopped at the Bela Zemlja crossing on the Bujanovac-Gnjilane road and taken to custody, Nojkic said. He added that Marinkovic and Trajkovic were arrested for carrying telephone bills to the users of Telekom Srbija services in Kosovo, Total TV bills, and receipts of Serbian business banks. Nojkic explained that for years postal workers entered Kosovo with this kind of mail without any problems, stressing that the arrests might be politically motivated.



*At the Postal Regulatory Commission:* PRC Daily Listing Page:

<http://www.prc.gov/prc-pages/daily-listing/default.aspx?docketpart=Dailylisting&docketid=03/09/2012>.



[Transport Intelligence](#): Deutsche Post - DHL (DP-DHL) announced what it described as an "on target" performance for its full year and last quarter 2011.



*From the Federal Register:* **Postal Service NOTICES** Meetings; Sunshine Act , 14447 [2012-5850]

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



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

- The U. S. Postal Service on March 2, 2012, published in the Federal Register its proposed rules discontinuing the use of POSTNET barcodes on all types of mail for price eligibility by January 2013. The USPS also proposed that a clear zone be maintained and that background and print reflectance standards be met for IMb letters, but then withdrew those portions of its proposal based on feedback from mailers. The


USPS also has proposed that POSTNET would only be allowed on non-eVS parcels and only in the address block.

- This week, the hearing on the confirmation of the Honorable Tony Hammond as a member of the Postal Regulatory Commission was held by the U.S. Senate Committee on Homeland Security and Governmental Affairs. The hearing was lead by Senator Tom Carper (D-Del).
- The U.S. Postal Service announced today that its plan to consolidate its mail processing network includes a suspension of the consolidation efforts during the election mailing season in order to avoid any adverse impact on the November election. The Postal Service will also utilize an Election Mail Task Force to work with all 50 states to develop strategies that address the questions and concerns of state and local election boards. Together, these measures will ensure the timely delivery of election-related mail.
- Maura Robinson to replace retiring Susan LaChance. Postal cuts are dead letter in Congress. Save the Postal Service. NAPS and USPS fail to reach an agreement. Congressman Connolly defends PRC Chair as advocate of innovation. Senate contenders want postal reforms. A harsh reality for newspaper. The USPS is worth saving. Pension plans: Are big US firms betting on a bull market with new accounting steps? Regulators criticized over review of USPS network cutbacks. MCS releases direct mail industry survey results.
- Updates from the Domestic Mail Manual.
- Updates from the Federal Register that affect the mailing industry.
- 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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 **Bloomberg:** United Parcel Service Inc. (UPS) is nearing an agreement to buy TNT Express NV, Europe's second- largest package-delivery company, after an initial 4.9 billion euro (\$6.5 billion) offer was rejected, people familiar with the matter said. The sides are now close to a deal on the price, following UPS's bid of 9 euros a share last month, and on conditions that may lead to job cuts and require divestitures to win antitrust approval, said the people, who declined to be identified because the talks are private. An announcement may come as soon as next week, one of the people said. A TNT acquisition would put UPS almost on par with Deutsche Post AG's DHL in European express shipments, according to researcher Transport Intelligence. The combined company would have a 17.3 percent share in European express shipments, before any divestitures, compared with DHL's 17.6 percent, based on Transport Intelligence data.




**Join Window Book for a webinar!** When it comes to mailing, there are two essential types of software: presort software and post-presort software. Mailers who use presort software alone often do not realize the benefits and the tremendous advantage that can be achieved by utilizing post-presort software in conjunction with their presort software. **Join Window Book for an informative webinar** that explains the difference between the two types of software, and why they are both critical for mailers **Presented by: Wallace Vingelis** Vice President Business Development & Marketing **Title: Presort and Post-Presort Software** **Date:** Tuesday, March 20, 2012 **Time:** 2:00 PM - 3:00 PM EDT





**At the Postal Regulatory Commission:** [Network Rationalization Operational Consolidation Studies](#)


March 8, 2012





 **Post & Parcel:** Alan Barrie, Director Operations & Technology at the International Post Corporation, discusses the changing balance between letters and parcels in the current postal market.


 **Post & Parcel:** Postal employees in France are set for a bonus of around EUR 242 each after La Poste recorded a 23% increase in its group net income today.


 **Industry Alert:** [Postmaster General Pat Donahoe](#) announced today that Consumer and Industry Affairs Vice President Susan M. LaChance will retire from the Postal Service after this year's National Postal Forum. Donahoe also announced that Pricing Vice President Maura Robinson will succeed LaChance.


 **Jersey Journal:** Republicans know the Postal Service is a government agency that works well for Americans. And you know the GOP cannot have an example of good government floating around out there lest it get in the way of their political aspirations. Why let a self-funding government agency flourish when you can privatize it and make your corporate cronies even richer? Left to the Republicans, we would probably start receiving our mail intermittently from some smelly, scruffy, raggedly dressed character on horseback like Kevin Costner from The Postman, 1997's worst picture Razzie award winner. It is enough to make you go, well, postal.

 **Roll Call:** Senate Leaders clashed on the Senate floor today over a transportation bill they hope to finish, as the Senate is poised to vote on as many as 30 amendments to the measure. Reid blamed Republicans for delaying action on the measure, which the Senate began considering early last month. Senate Minority Leader Mitch McConnell (R-Ky.) said he didn't understand why Democrats and President Barack Obama were advocating against amendments that he believes would help the economy and create jobs. Looking ahead after passage of the transportation bill, Reid said he plans to try to confirm about 12 judges and **hopes to bring up either a postal reform bill** or cybersecurity legislation.

 **PRWeb:** Web services specialist Postcode Anywhere has unveiled a new international address auto-complete application for Microsoft Dynamics CRM 2011. The extension, free to download from the Microsoft website from today, enables Microsoft Dynamic users to capture accurate and complete UK and international addresses, up to 80% faster.

 **WhatTheyThink:** MCS, Inc., a leader in industrial inkjet technology, camera systems and digital production solutions, has released its 2012 industry survey, which is now available for public download from the MCS website. The February, 2012 survey was emailed to over five thousand contacts profiled as Direct-Mail providers in the MCS CRM system. The results reflect the industry's mood -- recovering from a few turbulent years of reduced mailing volume - followed by recent **concerns regarding potential significant changes to the United States Postal Service.**

 **RTT News:** German postal and logistics firm Deutsche Post DHL issued a positive earnings forecast for fiscal 2012 and hiked its dividend. The company also announced a 46 percent increase in fourth-quarter profit, excluding certain valuation charges related to the sale of its German retail banking unit Deutsche Postbank AG. Including the valuation charges, quarterly profit plunged 64 percent. See also [Expatica Germany](#).


 **Bloomberg:** The productivity of U.S. workers rose at a slower pace in the fourth quarter and labor costs jumped, indicating businesses are reaching the limit of wringing efficiency from their workforce. Expenses per worker climbed at a 2.8 percent rate, more than twice as much as previously estimated.


*March 7, 2012*


 Employment Opportunity at the Postal Regulatory Commission: [http://www.prc.gov/PRC-DOCS/EMPLOYMENT/Special%20Assistant\\_2527.pdf](http://www.prc.gov/PRC-DOCS/EMPLOYMENT/Special%20Assistant_2527.pdf)





Twitter Feed: PostCom President Gene Del Polito on how the Postal Service could adopt new ideas & programs: <http://youtu.be/SOESNy0tf1o> PV2020


 [The Atlantic](#): The American people think Congress is broken and judging by its track record that assessment is accurate. The average House and Senate member now sides with their party about 90 percent of the time, according to a recent Congressional Quarterly study, a level of lockstep agreement that reflects the most profound partisan polarization in Congress in 100 years. Now, with Democrats trying to hold onto their majority in the Senate and Republicans trying to win it as the election draws closer, the chance that legislative comity might improve is close to vanishing. Instead of addressing the tough choices before it on jobs, the deficit and budget issues, Congress has been having a series of "message votes" allowing members to rally their core supporters, even though they know the legislation they are voting on has no chance of passage. So what does that leave as the major agenda item for the rest of the 2012 Congress? When Senate Majority Whip Dick Durbin was asked by Politico what it can do this year, he responded: "Postal reform." [EdNote: *Be still my heart.* ]

 [BusinessWire](#): MoneyGram International, a leading global money transfer company, and India Post, the largest distribution postal network in the world, today announced that their existing agreement to offer money transfer services through India Post outlets has expanded from an initial 100 locations to more than 650 locations across the country. In a presentation before community dignitaries and media today, MoneyGram officials discussed the importance of postal networks as part of its global distribution strategy, as well as plans for continued roll-out to additional locations of India Post in urban and rural areas of the country.

 [Live Mint](#): India's department of posts has proposed to raise tariffs for most of its services, including Speed Post, money orders, postcards and inland letters, by 15-20% for the first time in 10 years to cover increased costs of printing and transportation. The new tariffs are expected to be implemented by April and will generate additional revenue of Rs. 1,000 crore for the department, according to two department of posts officials, who declined to be named.


 [Federal Times](#): Sen. Tom Carper is not happy with the Postal Regulatory Commission. More evidence of that fact came during yesterday's confirmation hearing for Tony Hammond, nominated for another term on the five-member oversight body.

 [New Philadelphia Times Reporter](#): The Ace Hardware store on South Broadway will be home to a new full-service U.S. Postal Service office as of Tuesday, March 13.

 [Washington Post](#): The U.S. Postal Service plans to suspend its planned closure of processing facilities and post offices during the November election season in response to concerns from state officials that the delivery of absentee or mail-in ballots might be lost or delayed in the shuffle. USPS also plans to close thousands of post offices in the coming years in mostly rural communities.




*The Association of Postal Commerce will be launching a new publication on March 14 called the PostCom Quarterly. This publication will be PostCom's first quarterly journal. It will focus on providing content and information specifically to mail owners and users. The first two issues (March and June) will be free to all PostCom contacts. If you are interested in advertising in this inaugural issue, please contact Caroline Miller ([cmiller1@postcom.org](mailto:cmiller1@postcom.org)) to learn more.*

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

- **Centralization of Bundling Standards.** We revised various sections to consolidate and centralize most of the bundling standards for letters, flats, and parcels in a new section [601.2.0](#). We also relocated and consolidated current packaging and cushioning standards into renumbered section [601.2.0](#).


- **Changes in Sack and Container Label Specifications to Accommodate Standard Mail Marketing Parcels.** We revised [Exhibit 708.6.2.4](#) to change the content line of sack and container labels of carrier route Standard Mail® Marketing parcels.
- **Shipper Paid Forwarding.** We revised sections [507.1.0](#), [507.2.0](#) and [507.4.0](#) to clarify the use of ancillary service endorsements for Shipper Paid Forwarding, the Parcel Select® Additional Service fee, and the use of the PS Form 3546, Forwarding Order Change Notice.

**IMb™ Services Update. Business Customer Gateway Release 3.2 Deployment:** Business Customer Gateway (BCG) Release 3.2 will be deployed to the Production environment on Sunday, March 11, 2012, during the scheduled maintenance window from 4 a.m. to 6 a.m. CDT. The BCG application will not be available during deployment.

 **4-Traders:** FedEx may jump into the bidding for TNT Express after the board of Europe's second- largest package-delivery company rejected a 6.43 billion dollar offer from United Parcel Service Inc., investors and analysts said. TNT turned down UPS's initial offer. That leaves an opening for FedEx, operator of the world's biggest cargo airline, to swoop in to keep Hoofddorp, Netherlands-based TNT out of UPS's hands. Europe is the nearest growth driver of FedEx and TNT may give them the opportunity to come into the European market.




Did you miss the webinar on "3 Step Approach to Improving Customer Experience & Driving Engagement?" If so, you can still view the recording by going to <https://www1.gotomeeting.com/register/545405784> Here also are [the slides](#).

 **DMM Advisory: POSTNET Barcode Discontinuation Comments.** We have received some immediate feedback on this important [Federal Register](#) proposal, published on March 2, to retire the POSTNET barcode for automation price eligibility in January 2013. Many of you have sent us thoughtful responses on various aspects of the proposal, including the proposed change to the clear zone requirement for letters and flats. **We have decided that the final rule will exclude the clear zone requirement** so that we can focus solely on the important aspects of the Intelligent Mail Barcode (IMb®) implementation plan. We encourage the mailing community to continue commenting on retiring POSTNET for automation pricing eligibility.




**Office of the Inspector General:** *Steve Hutkins (Guest Blogger)* -- Most Americans probably don't care if the Postal Service is a "competitive business" or "enabling infrastructure." Many don't even know that the Postal Service is self-supporting and doesn't use tax dollars. Americans just want the Postal Service to function properly. They don't want to see their post office close, and they want enough workers at the windows so the lines aren't too long. They don't want their mail to get lost in the ozone, and they want it delivered in a timely way, six days a week.


 **NALC Activist Network:** Reps. Gerald Connolly (D-VA) and Don Young (R-AK) sent a letter to members of the House of Representatives urging them to sign a "Dear Colleague" letter addressed to Speaker of the House John Boehner (R-OH) and House Minority Leader Nancy Pelosi (D-CA). Connolly and Young want to let congressional leaders know that there are members of Congress who are committed to seeking postal reforms that don't resort to cuts that would damage the future of the business.




**Press Release:** The [United States Postal Service](#) (USPS) has approved Window Book, Inc.'s [Postal Package Partner Shipping with integrated \(USPS®\) Global Shipping Solution](#) (GSS) for streamlined shipping of International Priority Mail and other classes of International Mail. PPP is the mailing and shipping industry's leading postal shipping and manifest software that uses permit imprint to pay postage. Due to a multi-agency Federal mandate from U.S. security and financial agencies, as of April 1st, 2012 the USPS is required to collect electronic customs data for packages accepted for shipment to international destinations. Electronic customs data will no longer be an option, but becomes one of the basic requirements for international USPS shipping. The USPS needs to have the data in hand and available in electronic form to provide Federal agencies during the same timeframe they have the packages in their possession so they can stop/divert a package as needed before it leaves the USA. Postal Package Partner offers business mailers efficient and cost-effective shipping


solutions which meet their individual needs, and allows them to benefit from many postal services. Currently, PPP supports various USPS services, including Commercial Rates for Domestic and International Priority Mail and Express Mail, First-Class Mail®, Priority Mail®, Express Mail®, Parcel Post®, Media Mail®, Library Mail, Bound Printed Matter, Express Mail and Priority Mail Open and Distribute (PMOD). PPP's latest integration with the USPS GSS will definitely increase its application functionality as well as enhance its integration with the Postal Service.


 [Benzinga](#): MoneyGram International yesterday announced that their existing agreement to offer money transfer services through India Post outlets has expanded from an initial 100 locations to more than 650 locations across the country. In a presentation before community dignitaries and media today, MoneyGram officials discussed the importance of postal networks as part of its global distribution strategy, as well as plans for continued roll-out to additional locations of India Post in urban and rural areas of the country.


 [Trinidad Guardian](#): A Government Bill to amend the T&T Postal Corporation Act to enable 47 state properties to be vested in the Postal Service was shot down yesterday by Opposition and Independent Senators in the Upper House. Minister of Public Utilities Senator Emmanuel George, presenting the bill, said the properties, worth some \$56 million, would increase the assets of the service. It will also see a reduction in rent since the Government paid \$260,000 monthly for 22 postal service properties, he said. Opposition Senator Faris Al-Rawi said he could not support the legislation and called for a revision of the policy. He questioned the valuation of the properties, wondering how after 13 years their value could have been increased by only \$4 million.


 [The Times of Israel](#): After dozens of Ramat Gan postal employees refused to deliver copies of the New Testament on Monday, claiming such distribution is forbidden according to Jewish law, the Israel Postal Company has responded that all mail, regardless of its content, must be delivered. Postal workers were given the Christian Bible, translated into Hebrew, as part of their regular delivery packages, but a number of workers, both observant and irreligious, refused to distribute such materials. However, the post office issued an official response stating: "The Israel Postal Company Ltd. is a government company that operates in accordance with the Postal Service Law, which obligates it to deliver any item which it receives for distribution. The Israel Postal Company does not have the right or the ability to decide what to distribute and what not. For this reason, also in this case, the mailed items will be distributed in accordance with the law. "

### *March 6, 2012*


 [Pasadena Star-News](#): Rep. Adam Schiff, D-Pasadena, sent a letter to United States Postal Service (USPS) Post Master General Patrick R. Donahoe today opposing the decision to close the Mack Robinson Post Office this summer.


 [CRRJ](#): Advanced Workshop in Regulation and Competition 2011-2012 April 6, 2012 - Postal Reorganization (\$390).


 [Wall Street Journal](#): United Parcel Service Inc.'s talks to take over Dutch rival TNT Express NV have slowed as a result of friction between the two package-shipping companies over a range of issues, according to people familiar with the matter. Though the people expressed hope that the two sides will still reach a deal, they are unlikely to do so this week, and the talks could drag on beyond the following week as well. The items the companies are butting heads over include so-called social issues, which tend to involve matters related to personnel. One particular sticking point involves whether TNT's Dutch headquarters would continue to serve as the base for the combined business, one of the people said.

 [Post & Parcel](#): A leading US Senator criticised American postal regulators today for taking too long to review plans by the US Postal Service to right-size its mail processing network. Tom Carper, the Senator for Delaware and a leading voice in Congress pushing for major postal reforms, said that it was "unclear" why the Postal Regulatory Commission was expecting to take until this summer to produce its advisory opinion on USPS downsizing plans. The Commission is currently scheduled to take until mid-July to take in testimony for its review of USPS plans, which call for First Class Mail standards to be adjusted so that at least 223 of its 461 mail processing plants can be

closed. The Commission's advisory opinion will not be legally binding on USPS, but could influence the Postal Service plans, based on its stakeholder evidence. At a hearing of the US Senate today regarding the nomination of Tony Hammond to return as a postal commissioner, Carper said if the Commission cannot produce even preliminary findings by May, it could find itself sidelined as USPS looks to begin plant closures as soon as possible.

 [Post & Parcel](#): France's La Poste is setting up a dialogue process with trade unions regarding the health and well-being of its employees, in the wake of a staff suicide last week. Police and health and safety officials in France are also investigating, after a young postal worker took his own life at his workplace last Wednesday. La Poste staff observed a moment of silence yesterday morning, in memory of Jérémy Buan, a 28-year-old manager from Brittany, who jumped from the roof of the Rennes central post office, reportedly leaving behind a note suggesting his actions stemmed from "oppressive" working conditions.

 [Minneapolis-St. Paul Business Journal](#): *[EdNote: You're not going to believe this.]* The U.S. Postal Service is in a court fight with one of its unions over the size employee lockers. That might sound like a petty fight on the surface, but the expense of giving workers larger lockers at the St. Paul Processing and Distribution Center in Eagan would cost the Postal Service \$200,000. The USPS doesn't want to pay that, so it has sued its workers' union in a bid to overturn an arbitrator's ruling in favor of the larger lockers.


 [Reuters](#): Executives at Dutch postal group PostNL have sold more than 227,000 euros worth of stock in the company and its unit TNT Express, which is in takeover talks with U.S. rival United Parcel Service UPS. Analysts said the timing of the sales were significant because they were made while talks with UPS were ongoing. "One might conclude that they have little confidence in a higher bid on TNT Express, but on the other hand it is not unusual for executives to sell shares in their company around the publication of their annual results," analyst Maarten Bakker of ABN Amro said. A PostNL spokesman called the sale of shares by the executives "a regular transaction. Executives are allowed to trade in shares, just like any individual."


 Hearing on the confirmation of the Honorable Tony Hammond as a member of the Postal Regulatory Commission.

[Statement of Sen. Thomas Carper \(D-DE\)](#)


[Statement of the Honorable Tony Hammond](#)

- Hammond told the Senate postal oversight panel that he believed the time the Commission took to deal with the request for an opinion on the Postal Service's proposal to eliminate Saturday delivery took much too long. He noted that his thoughts regarding the need for expedition did not prevail.
- He said that the Commission, at times, has been too accommodating to the requests for time from the Postal Service and petitioners.
- Senator Brown asked Senator Carper to speak to the Majority Leader on the need to expedite Hammond's confirmation.
- Hammond said that he would do everything possible to facilitate Commission consideration of any non-postal product proposals.

 [Bergen Record](#): If the USPS is deep in debt and no longer useful, why should we care? First, the USPS is not going bankrupt. According to the USPS inspector general, the Postal Service has overpaid its retirement fund by as much as \$70 billion, and there is \$13 billion in excess in the pension funds. These surpluses exist only because of egregious federally mandated overpayments. The USPS is also forced to pay health care costs for individuals who have not even been hired, something no other federal company must do. Remove the unfair mandates, and the financial crisis disappears. Second, the USPS is part of the fabric of our nation. Every post office flies our flag, honors our history, celebrates our heritage and provides a most visible neighborhood presence. Third, the USPS delivers everywhere in the United States, even the most remote areas. Private carriers don't bother with such far-flung destinations. FedEx and UPS use the Postal Service to deliver packages to the most remote addresses.


 [Buffalo News](#): If this kind of decision-making is typical of the U.S. Postal Service, no wonder it's on the verge of going under. The Postal Service wants to close Buffalo's high-performing William Street processing center without

having conducted a thorough investigation of the costs. Remember that the next time you put a stamp on a letter. The “study,” so-called, undertaken by the Postal Service doesn’t seem to account for the fundamental fact that closure of the Buffalo center will mean that Buffalo-to-Buffalo mail will be shipped to Rochester and back again, every blessed, \$4-a-gallon, gas-fueled day.

 [Bloomberg](#): Royal Mail Group Ltd., the U.K. postal service, won approval for a plan to turn a mail-sorting office near Battersea Power Station in southwest London into almost 1,900 homes.


 *From the Federal Register:*

Postal Regulatory Commission	
<b>RULES</b>	
Product List Updates ,	
13198–13200 [2012–5320]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>


 [International Business Times](#): There has been a significant but mostly unnoticed shift in the way big U.S. companies account for the pensions on their books. On the face of it, this appears to be little more than a change in arcane bookkeeping procedure. But it could be a sign that corporate America is betting on rock-bottom interest rates and a continuing economic rebound through this year and next. **United Parcel Service Inc.** is the latest company to embrace this trend. In January, the global delivery giant announced it was joining the ranks of brand-name companies such as International Business Machines Corp., AT&T Inc. and Intel Corp. by **switching to mark-to-market accounting for its \$23.3 billion pension program**. Under this approach, rather than smoothing out the impact of gains and losses in pension programs by amortizing them over many years, the true value of pension investments is recognized and accounted for once a year




*The National Postal Forum is extending pre-registration until March 9th 2012! Registering by March 9th saves you \$50 over the onsite registration fee as well as allowing you to use the fast moving pre-registration lines when you check in at the conference in Orlando. Save time and money by [registering now!](#)*


 [Daily Kos](#): *Great headline: "This Week in Congress: same as last week, to be followed by more recess"*


 [BusinessWire](#): Pitney Bowes Inc. has announced it is hosting a Document Messaging Technologies customer event on April 10-12, 2012, at its Global Technology Center in Danbury, Connecticut. The event will offer enterprise mailers, third-party service providers and marketing leaders an opportunity to see the company's latest customer communications solutions in action. Attendees will also have an opportunity to preview new product enhancements that will be showcased at Drupa 2012, the world's largest trade fair for the print and media industry, in May, in Düsseldorf, Germany. Ramesh Ratan, president, Pitney Bowes Document Messaging Technologies will deliver the keynote address on ways to leverage the transactional statement to maximize customer lifetime value. "We are excited to welcome our customers to our new Global Technology Center. We look forward to sharing insight on how to more cost-effectively use customer communications to help build meaningful, personal connections with consumers that can drive revenue growth."


 [Philstar](#): United Parcel Service Inc. (UPS) is looking at expanding its back-office operations in the Philippines as it sees the country as an important part of its operations in the region, top company officials said. “We have a lot of


administrative jobs in the Philippines and we continue to look at putting more administrative jobs in the Philippines," UPS International president Daniel Brutto told reporters in a press conference


 **Ynet:** Dozens of Israel Postal Company employees in Ramat Gan refused to distribute thousands of copies of the New Testament to city residents. They claimed such distribution is forbidden according to the halacha laws, and might even be illegal. Both religious and secular postal workers were asked to hand out mail and advertisements on Monday, along with thousands of holy Christian booklets translated into Hebrew. The workers informed their supervisors that they refuse to distribute such materials.


 **Post & Parcel:** A Parliamentary inquiry has recommended caution in Royal Mail's moves to increase postal rates, for fear that rates could reach a "tipping point" over which customers are no longer prepared to use the mail. The Business, Innovation and Skills Committee of the House of Commons issued its report on Friday generally supporting regulator Ofcom's intention to remove most of the British postal operator's price controls, although there was criticism of Royal Mail's pricing transparency. "No compelling case was made for the continued use of price controls," said Adrian Bailey MP, the Committee chairman. "However, I was surprised at the lack of detail Royal Mail provided with regards to the cost of specific services. "A clear grasp of underlying costs should underpin any future price changes. Without that, the scale of increases being discussed becomes far harder to justify."


 **Ahram:** Egyptian Postal Services Authority workers continue sit-in for second day to demand communication minister's resignation and dismissal of ministry advisers


 **Hellmail:** Swiss Post International has announced that it has opened an office in Oslo, Norway that will enable non-Norwegian distance sellers to sell directly to consumers in Norway without the costly customs fees that have so far affected goods entering the country.

 **Post & Parcel:** Romanian Post said today that it was in the black during the second half of 2011, for the first time in three years.

 **Business Insider:** "The Post Office Once Proposed A 'Rapid' 2-Day Email Service" Best quote: "[Electronic messages] would be flashed electronically between cities. On the receiving end, they would be conveyed to post offices for physical delivery within two days of origination.

 **Post & Parcel:** MaltaPost has launched a brand new e-commerce website geared particularly towards stamp collectors, using software systems provided by Maltese company Ascent Software. The online portal at [www.maltaphilately.com](http://www.maltaphilately.com) uses Ascent's Swift Post bureau management software and e-commerce platform for the sale of stamps, sets and collectibles.

 **Wall Street Journal:** "Nearly three years after Time Warner Inc. and Comcast Corp. kicked off a drive to make cable programming available online for cable subscribers, the idea of TV Everywhere remains mired in technical holdups, slow deal-making and disputes over who will control TV customers in the future," writes Sam Schechner and Shalini Ramachandran. Cable companies also face competition from entities like Netflix -- meaning "a new content garden is growing up outside of cable TV's walls," according to Schechner and Ramachandran. They discuss other problems with implementing TV Everywhere -- "which is a concept, not a specific service." [*EdNote: Technology driven change is affecting every communication vehicle. The post is far from being alone.*]

 **CNN Money:** The Postal Service is facing such a cash crunch that it has a \$12.1 billion loan outstanding from Treasury. But taxpayers will be paid back, especially after Congress acts to help save the Postal Service, according to most experts. While progress on a measure has been slow-going in Congress, both House and Senate legislation would dramatically reduce or eliminate debt by tapping overpayments made in retirement accounts. "We're deeply concerned about the restoration of the Postal Service to solvency," said Ali Ahmad, spokesman for Rep. Darrell Issa, a California Republican who has sponsored a postal bill in the House. Congressional aides couldn't say Monday when Congress would officially take up and pass Postal Service legislation.

**March 5, 2012**


- **PostalOne!® MicroStrategy Reporting Maintenance:** On Sunday, March 18, 2012, the *PostalOne!® MicroStrategy®* reporting environment will undergo system maintenance during the scheduled window of 4 a.m. to 8 a.m. CDT. Within this period, a one hour outage is planned from 5 a.m. to 6 a.m. CDT, when internal users will not be able to access Verification and Performance Reports for Business Mail Acceptance and external users will not be able to access the Mail Quality Reports.
- **Business Customer Gateway Outage:** The Business Customer Gateway production environment will be unavailable on Sunday, March 18, 2012, from 5 a.m. to 6 a.m. CDT for scheduled maintenance. During this time, all USPS® services accessed through the Business Customer Gateway — including *PostalOne!®*, FAST®, Mailer ID, Program Registration and eDoc submission through Mail.XML® and Mail.dat® — will be unavailable.

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***Charter Schools -- Is It Time We Had Charter Postal Services?***


*Wikipedia* --Charter schools are...schools that receive public money but are **not subject to some of the rules, regulations, and statutes** that apply to other public schools **in exchange for some type of accountability for producing certain results**, which are set forth in each school's charter. Charter schools are opened and attended by choice....


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 **The American:** A massive taxpayer bailout of the Postal Service is coming, but this time Congress can't blame Wall Street. This bailout will be 100 percent Made in Washington. The United States is unique in its antediluvian postal policy. Congress tells the postal managers to “run the USPS in a businesslike fashion,” and then blocks every decision they make. Congress won't even let the Service cut Saturday delivery in the face of collapsing revenue, must less manage its sorting network.

 **Target Marketing:**

- [Media Usage Forecast 2012](#)
- [2012 Media Usage Survey Extra: Where Are B-to-B Marketers Putting Their Money?](#)

 **Federal Times:** Agencies face billions in additional contracting costs because of a new federal accounting rule that requires the government to reimburse contractors for a greater portion of employee pension costs.

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

**Should the Postal Service be a competitive business, an enabling infrastructure, or something in-between?**

With over \$20 billion in losses in the past 4 years and facing a possible financial insolvency, the U.S. Postal Service is at a critical juncture. In addition to solving the financial problem, one concern is the future role of the Postal Service. Join three guest bloggers, Richard Kielbowicz, Steve Hutkins, and James Campbell, in this first of five week-long blogs discussing the elements of a postal solution. Is the Postal Service a competitive business that maximizes profits or a national public infrastructure with a universal service obligation? Share your thoughts on our [blog](#).

A new audit project has been started on the external website. [CB Richard Ellis Group Incorporated Contract – 12TG018DA000](#). Our audit will review the contract between CBRE and the Postal Service to determine if it provides adequate cost benefit to the Postal Service.

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# PostalVision 2020



*They say there are three kinds of people in this world:*

*Those who make things happen. Those who watch things happen. And those who wonder what happened.*

*This is NOT the time to watch or wonder. This is the time to MAKE things happen.*

*Do you have a vision of what the postal system could be in the year 2020 that you'd care to share? No?*

*Well, we do, and we'd like you to be a part of that vision and help make things happen. Now's the time to determine what role you want to play in the crafting of PostalVision 2020 [Learn more about the vision and the role can play.](#)*

*Want to just watch or wonder? Hey, what have you got to lose?*

*Maybe . . . YOUR business!*

**[Federal Times](#):** As many as 2,000 U.S. Postal Service employees could face a reduction-in-force under the mail carrier's plans to close more than 220 mail processing plants, a spokesman said. Those affected would generally be white-collar executives, supervisors and administrators who lack union representation. The jobs involved would be among 30,000 career positions the Postal Service plans to eliminate through the downsizing by late next year. Postal spokesman Mark Saunders cautioned that the agency won't know the number of employees actually leaving until "much later in the process." In addition, the Postal Service is holding off on any plant and post office closings until mid-May, even as some lawmakers are pressing for a longer delay. Postal spokesman Dave Partenheimer had no information Friday on when a RIF might begin.

**[New York Times](#):** Last year, researchers at the Project for Excellence in Journalism persuaded six companies that own 121 newspapers to share private data about the financial performance of many of their papers. And the findings were grim. On average, for every new dollar the newspapers were earning in new digital advertising revenue, they were losing \$7 in print advertising revenue. The papers seemed not to be diversifying their revenue streams or coming up with innovative products at a fast enough clip.

**[Financial Times](#):** Come November, many American men such as these – white, blue-collar and angry – will turn their back on the Democrats and vote Republican. The white working class deserting the Democrats to vote Republican is a trend that has accelerated under Barack Obama. High quality global journalism requires investment. They all have a few things in common. They hate the media but watch Fox News. They mostly listen to Glenn Beck, the former Fox host who, in the words of one commentator, "made extremism congenial". [EdNote: *The tenor of pre-election times. But just when you think you might know how things will turn out . . . look at the following . . .*]

**[Wall Street Journal](#):** The resurgence of Mr. Romney, who hadn't led the Journal poll since November, lays the path for a potential matchup against a president whose own position is strengthening. President Barack Obama's approval rate hit 50% in the poll, its highest since last May, as more voters expressed confidence in the economy.

**[LiveMint](#):** After sparring with the home ministry over biometric data collection and national security concerns, the Unique Identification Authority of India (UIDAI) has found itself in a new row, this time with the state-owned postal network. The authority says India Post is delaying the delivery of letters informing residents of the unique identity numbers allotted to them under the government's Aadhaar project. The upshot is that the authority, led by Infosys Ltd co-founder Nandan Nilekani, is considering handing the job of delivering the letters to private sector firms.

**[The Record Searchlight](#):** *Debra Bowen is the California secretary of state --* A U.S. Postal Service (USPS) plan to shut down 223 big mail processing hubs across the country and 14 here in California — including the one located in Redding — threatens to disenfranchise millions of Californians who vote by mail. Implementing this plan in the middle of a presidential election year would be a disaster for democracy. That's why I am calling on the USPS to delay the closure plan it may roll out just 21 days before California's June 5 Presidential Primary Election. Instead, the USPS should delay shutdowns until after the November 5 General Election.

**[Financial News](#):** This weekend brought a fresh bout of press commentary about the part-privatisation of the Royal Mail, the state-owned postal service, and the question of its £25bn pension fund. The government plans to

take the fund off the company's hands, because no private company would touch it with a barge-pole, stymieing Royal Mail's prospects of signing some kind of deal with another postal operator. Royal Mail's giant pension plan is in deficit - that is part of the problem in the first place. As well as £25bn of assets, the government is due to take delivery of something like £33bn of liabilities. That's according to the most recent information submitted to the EU competition authorities, which are giving the whole arrangement a once-over. The government says it hopes to receive the EU verdict by the end of March.

[!\[\]\(529949c2c3dadbaa4e538e8c643454bc\_img.jpg\) Hellmail](#): The Royal Mail which has seen a fall in mail volumes of 25% since 2006 could lose the battle for sustainability if stamp prices continue to rise - according to findings by Consumer Focus. With the responsibility for postal regulation now in the hands of Ofcom and the brakes lifted on pricing, the Royal Mail could be heading for an acceleration in volume decline with even more customers switching to alternative communication platforms such as email. Consumer Focus said the tipping point, where there would be a noticeable jump in the number of people who would stop using Royal Mail, is if second class stamps rise to 50p and first class to 75p and the number of people abandoning using Royal Mail altogether would be likely to be more than double the rate at current prices. *[EdNote: This should serve as a note of caution to all who believe the solution to the U.S. Postal Service's problems lies simply in the raising of rates. Take away the class-based inflation cap off of rates and watch the mail as it marches out of the door.]*

[!\[\]\(3dfb8d66e81160ad61421a3452093d1b\_img.jpg\) Roll Call](#): Susan Collins has always been her own Senator, but with the looming departure of fellow Maine Republican Sen. Olympia Snowe, she might finally have the freedom and the spotlight to show it. Described as a tireless worker, a “legit, real legislator” and an independent thinker by sources close to state and party politics, Collins has carved out a niche for herself within a rigid Republican Conference, particularly on national security issues. But for years, she has been paired, at least in perception, with Maine’s senior Senator: another female moderate lawmaker with whom Collins did not always agree.

**March 4, 2012**

[!\[\]\(0f848bbd71cef6b345273b16f905912a\_img.jpg\) Government Executive](#): "Rep. Ross: I'm Not an Idiot."

[!\[\]\(339a16584d5da0f0a3ca4e9ec17bf6a1\_img.jpg\) Battle Creek Enquirer](#): Unfortunately, the postal reform bill pending in the Senate (S. 1789) fails to adequately address the problems. Although the 21st Century Postal Service Act would reduce the level of retiree health-care pre-funding, the annual cost of pre-funding would continue to impose significant debt on the USPS and would result in the unnecessary cuts in service the Postal Service is planning.

[!\[\]\(a870788d6ed9b8fd294b7654a8c8526b\_img.jpg\) OnlinePRMedia](#): Further to the Royal Mail’s announcement regards to introducing VAT on certain postal services, a new payment channel is being introduced named ‘account payment’ specifically for 1st & 2nd class mail. This will allow these postal services to remain VAT exempt, but it expected that a 2nd class item could increase up to 55p at the upcoming price increase in April 2012.


[!\[\]\(de95854c7ee024cfadc48187bbb781b2\_img.jpg\) PRWeb](#): The recession caused demand for the Direct Mail Advertising industry to fall as businesses cut costs to maintain profit. Despite these negative factors, the decline in revenue was relatively mild in the context of the broader advertising services sector, and the industry is poised for further growth in 2012. Direct mail advertising displays relatively low volatility, suffering less in a downturn because many businesses substitute their traditional advertising methods with cheaper, broader-reaching advertising methods. During the five years to 2017, revenue is expected to increase. As consumers increasingly turn to the internet to find bargains and coupons, a greater number of firms will offer services online.


[!\[\]\(3211b5d1d968fc1665909b34f9f16010\_img.jpg\) Tulsa World](#): It's easy to blame the postal service. Maybe it deserves some. But next time you're complaining, remember that Congress, which has a habit of ignoring pressing problems, especially during election years, shares a lot of that blame.


[!\[\]\(6059a5aa8b4ca7bb793408023d6c6e42\_img.jpg\) Politics.MO](#): Just a few miles away from the soon to be closed Springfield mail processing center, Republican U.S. Senate candidates called for a 21st century restructuring of the U.S. Postal Service during their second debate. Former state treasurer Sarah Steelman and St. Louis businessman John Brunner both said they are for more “choice


and competition” in the mail market. “We have to have a whole new filter that we approach problems, to bring more free market and more competitiveness,” Steelman said. Their mutual opponent, U.S. Sen. Claire McCaskill, D., announced her plan earlier this year to attempt to fix the post office’s financial future. Her plan would remove the requirement for the Postal Service to pre-fund their pension programs for 75 years, and encourage the post office to find more ways to increase efficiency.

**March 3, 2012**


 **At the Postal Regulatory Commission:** The [Postal Regulatory Commission](#) has an exciting employment opportunity for a highly motivated, highly skilled person with extensive and varied experience in journalism, communications, and media relations.

 **BGR:** Apple claims to have created or supported more than half a million jobs in the U.S. [EdNote: Heck, that's nuthin' compared to [the eight million jobs created by postal.](#)]

 **BGR:** Google announced at the Mobile Money: Delivering Innovative Mobile Payment Services panel during Mobile World Congress that Sprint will introduce “at least 10 additional phones” with Google Wallet support in 2012

 **InformationWeek:** UPS is starting the global rollout of the fifth generation of its mobile handheld device, called Diad, and it will deploy about 100,000 of the units by the time the rollout is complete in 2013. Drivers use Diad to access and send package and delivery information, collect customer signatures, and more. While no one will mistake Diad V for an iPhone, with this version's touchscreen, camera, speedy processor, and 1 GB of memory, at half the size of its predecessor, UPS draws more than ever on features similar to consumer mobile technology. But UPS also faces the same harsh reality as every company using mobile technology: Technology cycle times are getting shorter, in part because consumer tech lives on six- to 18-month turns, not the three to five years business IT prefers.



 **Save the Post Office:** Rep. Gerald Connolly (D-VA) -- The Washington Post recently published an article about the travel expenses of Postal Regulatory Chairman Ruth Goldway. The author of the article seems to have missed that the reason for Ms. Goldway’s travel is to pursue positive business model reforms for the Postal Service. These innovative reforms are connected directly to her travel and her exchange of ideas with postal systems in other countries. Here in America, the Postal Service earns three times less money from innovative non-postal products and services than its European postal system counterparts. Partially because Ms. Goldway has learned from best practices overseas, she has been an articulate advocate for innovation that would allow the Postal Service to earn more revenue rather than focus myopically on downsizing.



**3 Step Approach to Improving  
Customer Experience & Driving  
Engagement**

Join us for a Webinar on March 6

**REGISTER NOW**


Please join the Association for Postal Commerce  
for a free webinar on Tuesday, March 6, 2012 at


1:00pm Eastern.

Empowered consumers. The rise of social & mobile. The need to integrate multichannel data. Marketers' ultimate focus remains the same – wooing customers. And the fundamentals are the same: targeting customers with relevant content is critical to achieving ROI; clean, accurate data yields better results; identity resolution is essential, and delivering the right message to the right person at the right time is key.


**Dave Duszynski, Director, Sales Support & Client Relations, Experian Marketing Services**


will share practical approaches, industry/client examples, and useful tips to move your marketing forward. Key topics include: • Adopt a four-stage customer engagement framework to understand your customer's journey • Conduct benchmarking to determine your company's level of engagement maturity • Improve capabilities and drive quantifiable business results with a diagnostic methodology

 [Philadelphia Inquirer](#): The U.S. Postal Service Office of the Inspector General has agreed to review the planned closing of a mail-processing center in Wayne, one of 223 nationwide slated to close as early as June. U.S. Rep. Patrick Meehan (R., Pa.) visited the center Friday and told workers he had received confirmation that the closing would be reevaluated. The Southeastern Pennsylvania mail-processing center is to be consolidated with the Philadelphia distribution center on Lindbergh Boulevard. The site to be closed serves Chester, Montgomery, and Bucks Counties.


 [GoBankingRates](#): As you continue to look for ways to save time and money in your everyday life, one facet to examine is your method of banking. Paying bills online is becoming increasingly popular, as automatic payment scheduling can be a major time-saver. It can also save you money by eliminating the need for postage stamps. However, for many, traditional bill payment by check remains the preferred method. Expediency and security are two of the most important factors to consider when choosing between online banking and traditional banking. Yet there can be elements of uncertainty that come with either method: Bills paid via the postal service are at risk of being lost, but even electronic payments have been known to go missing from time to time. Also, the time frame for payment to reach your recipients can vary greatly according to the payment method used. In fact, there are instances where it can take longer for your payment to arrive and be processed if paid online.


 [From the Federal Register](#): **Postal Service NOTICES** Meetings; Sunshine Act , 13159 [2012–5327]  
[\[TEXT\]](#) [\[PDF\]](#)


 [BGR](#): China, the world's most populous nation, is the first country in the world to reach 1 billion mobile subscribers. According to the country's Ministry of Industry and Information Technology, mobile phone subscriptions in China had reached 997 million by late February, and were expected reach one billion by the end of the month

 [National Association of Postal Supervisors](#): The National Association of Postal Supervisors and the United States Postal Service concluded Pay Consultations on February 29, 2012 without reaching an agreement. The resident officers participated in a teleconference with the national executive board where the executive board was briefed on the offers presented by the Postal Service and the subject was discussed at length. In accordance with provisions of Title 39, NAPS will file their intention to exercise their rights to Fact Finding. NAPS believe that we presented

reasonable proposals for pay and benefits. The proposals by the Postal Service did not address important issues for our members.

 [Legal Newsline](#): The U.S. Department of Labor is suing the U.S. Postal Service for discrimination and retaliation.

 [Post & Parcel](#): Deutsche Post is facing more allegations of predatory pricing in its native Germany, with regulators now investigating its bulk advertising mail service Infopost. The Federal Network Agency confirmed yesterday that it has launched a review of the unit, which provides delivery services for large customers sending direct marketing, samples and catalogues. The regulators said complaints had been “mounting” from the national postal operator’s rivals that Deutsche Post was undercutting its competition unfairly with subsidies from the rest of its business.

 [WIVB](#): A Buffalo pastor and Common Council member is making a passionate plea against plans to shut down a U.S. postal facility. Reverend Darius Pridgen is calling for a one-day boycott of local postal service operations.

 [NALC Activist Network](#):

The NALC is on high alert as we await action as early as next week on H.R. 7, The American Energy and Infrastructure Jobs Act of 2012. Once again, it looks like **the bill will be offset largely on the backs of current and future federal and postal employees**. Initial reports indicate that they might use \$30 billion from federal pensions hits to help pay for it.


While we have no firm details at this point on what exact hits will be included, those that have been raised include:

Current employees

- **Increasing pension contributions for FERS and CSRS** employees 1.5 percent over three years, starting in 2013.
- Eliminating the Social Security supplement for those who retire after 2012.
- Reducing the multiplier from 1.1 percent to 1 percent per year of service when calculating the FERS annuity for those who retire at or after age 62, cutting benefits 9 percent from the current formula. (There is no change for those who retire under age 62.)

Future employees

- Increasing pension contributions an additional 0.9 percent—this on top of the 2.3 percent that was included in the recent payroll tax extension, raising future hires from 0.8 percent to 4 percent in pension contributions.
- Moving from a high-3 average salary to a high-5.
  - Using a multiplier of 0.7 percent per year of service when calculating the FERS annuity.

 [Bloomberg](#): Deutsche Post AG, Europe’s largest mail carrier, is among companies interested in Celesio AG’s unit that provides logistics services to drugmakers, according to three people with knowledge of the matter. Celesio, Europe’s largest drug wholesaler based in Stuttgart, Germany, hired Morgan Stanley and Societe Generale SA to run the sale of the business called Movianto, said the people, who declined to be identified because the talks are private.

*March 2, 2012*



**DMM Advisory: POSTNET Barcode Discontinuation Proposed.** Today, the POSTNET™ Barcode Discontinuation proposed rule was posted on the [Federal Register](#) website and soon it will be posted on the [Postal Explorer](#)® website under [Federal Register](#). The proposed rule includes the basis for discontinuing use of POSTNET™ barcodes and allowing only Intelligent Mail® barcodes (IMb™) for automation price eligibility by January 2013. The Postal Service™ understands that many mailers currently use POSTNET barcodes and we are committed to providing information to and working with individual mailers and software providers to ensure that the use of an Intelligent Mail barcode is achievable for all mailing customers.

**Enhanced Online News:** GrayHair Software, Inc., known for its industry-leading services for business mailers, announces that it now provides a solution for the data that is part of the Informed Visibility program that the USPS® released in January. This solution is offered through the company's current line of applications and provides direct mailers and logistics companies with the ability to utilize this data in their current operations. The enhanced visibility of the movement of pallets, trays and sacks through the postal network is translated by GrayHair into meaningful information. Mailers benefit from earlier access to fundamental data regarding the location and delivery of their mailpieces. The analysis of this data allows mailers to take preventative steps to solve problems and make split-second adjustments.



**At the Postal Regulatory Commission: Meeting Notice: March 14, 2012** Portions Open to the Public 1. Report on legislative activities. 2. Report on status of Commission dockets. 3. Report from the Office of the Secretary and Administration. 4. Report on analytical tools used by Commission staff. 5. Report on international activities and inbound international mail revenues and costs. 6. Strategic overview of the military postal service. Chairman's Public Comment Period Portions Closed to the Public 7. Discussion of pending litigation. The open portion of the meeting will be audiocast. The audiocast may be accessed via the Commission's website at <http://www.prc.gov>. For more information, please contact: Shoshana M. Grove, Secretary of the Commission, at 202-789-6800 or [shoshana.grove@prc.gov](mailto:shoshana.grove@prc.gov)



**The Economist:** A former PMG as President? Yup. According to The Economist, former Poste Italiane chief [Corrado Passera](#) could be in the running to succeed Mario Monti as Italy's chief of state.



**Wall Street Journal:** An analysis of U.S. Treasury data suggests China, with \$3.2 trillion in foreign-exchange reserves, has begun to rapidly diversify its currencies portfolio. Economists have long warned that if China starts to cut back its purchases of U.S. securities, U.S. interest rates could climb, damaging the American economy and ratcheting up the government's borrowing costs. China has many reasons to try to reduce its exposure to the dollar. They include very low yields paid by Treasuries and a vulnerability to U.S. decisions on managing its debt, which could lead to inflation that would erode the value of those holdings. Last summer's political debate over raising the U.S. debt ceiling sparked worries that the U.S. could default on obligations. *[EdNote; You might not like it, but who can blame them. Blame? Well, that goes to a Congress that has amply demonstrated its inability to get down to serious work on any of the critical issues that face this nation and its economy . . . let alone the postal system.]*



**Wall Street Journal:** Wal-Mart Stores Inc. and Target Corp. are among roughly two dozen retailers working together to develop a mobile-payments system to compete with similar products from Google Inc. and big cellphone companies, according to people with direct knowledge of the project. The push represents an effort by frustrated merchants to get the upper hand in the fast-developing market that turns cellphones into payment devices. The race pits the retailers against banks, credit-card networks, telecommunications firms and technology companies.





**Youngstown Vindicator:** Not that we didn't suspect as much, but it is now clear that the U.S. Postal Service was only going through the motions when it asked for public input into its plans to close post offices and postal service centers throughout the nation. As it turns out, it didn't matter whether a handful of people bothered to express an opinion, as was the case in many instances, or that nearly 8,500 took the time to respond, as was the case in the Youngstown area. Small and medium-sized cities are losing their distribution centers, and large cities will gain.





**The Tennessean: Thurgood Marshall Jr.,** son of the late Supreme Court Justice Thurgood Marshall, has been named to the board of directors of Nashville-based Genesco Inc., the company said Thursday. He is a partner in the Washington, D.C., law firm Bingham McCutchen, where he works in the areas of public policy, ethics compliance


and corporate governance, according to the firm's website. A 1981 graduate of the University of Virginia Law School, Marshall worked in the administration of former President Bill Clinton from 1997-2001, and also was chairman of the White House Olympic Task Force in connection with the 2002 Winter Olympics in Salt Lake City, Utah. **He currently serves as chairman of the board of governors of the U.S. Postal Service;** he was appointed to that board by President George W. Bush. Marshall also is on the board of directors of the Nashville-based Corrections Corporation of America, as well as the Ford Foundation and the Ethics Resource Center.


 [MSN Fox Sports](#): The UPS Store has teamed up with social media publisher and author of Duct Tape Marketing and The Referral Engine, John Jantsch. On March 13 from 2 to 3 p.m. EST, Jantsch will host a "best marketing practices" discussion for small business owners on The UPS Store Facebook page. In addition to professional printing services, The UPS Store network offers a variety of services to help with the logistics of running a small business including, mailboxes with a real street address, packing and shipping services, notary and direct mail services. The UPS Store and Mail Boxes Etc. network comprises the franchise system of retail shipping, postal, printing and business service centers.

 [City Biz Real Estate](#): With the deal now signed, New Breed Logistics has grabbed the keys to 250,000 square feet on airport-leased land to immediately **ramp up a logistics operation for the U.S. Postal Service**. According to Green, New Breed needs to be on line and ready to go April 1.


 [Politico](#): *Sen. Bernie Sanders* -- "We believe the Postal Service in the short term should be released from an onerous and unprecedented burden to pre-fund 75 years of future retiree health benefits over a 10-year period. With \$44 billion now in the fund, the Postal Service inspector general has said that program is already stronger than any other equivalent government or private-sector fund in the country. There already is more than enough in the account to meet all obligations to retirees. The Postal Service should also be allowed to recover more than \$13 billion in overpayments it has made to its pension plans. With these changes alone, the Postal Service would be back in the black and posting profits. Though these accounting changes won't solve the Postal Service's long-term financial problems, they would provide a few years to turn the Postal Service business model around."

 [Azerbaijan Business Center](#): Communications enterprise Azərekspresspoçt is preparing to introduce a new service on delivery of bank credit cards. Azərekspresspoçt reports that its specialists are developing software and mechanisms to ensure provision of the service on delivery of cards and tracing of credit cards sent to customers by banks through Azərekspresspoçt website. "Customers of banks open an account in the bank in advance, register credit cards, and then within a few days the banks, by using our services, organize delivery of new cards to cardholders," Azərekspresspoçt noted. Azərekspresspoçt intends to begin introducing the new system to be widely used by local banks from 1 April 2012. Over the past year Azərekspresspoçt signed 24 contracts for postal services, and for the last two months - 12 contracts for provision of EMS services and courier mail services.

 [Bemidji Pioneer](#): Shutting post offices and mail processing centers across Minnesota, including the sorting center in Bemidji, could lead to the end of the U.S. Postal Service, Sen. Al Franken said Thursday. The Minnesota Democrat, on a conference call with reporters, said closing 117 post offices and five mail sorting facilities could be devastating to customers, businesses and Postal Service employees. "I don't want that," Franken said. "If these closures take place, there will be deep implications for businesses and families in Minnesota." He warned the changes will force more postal customers to do business online, signaling "the beginning of the end."


 [CNN](#): The chief of the struggling U.S. Postal Service received \$384,229 in compensation last year -- and at least one lawmaker thinks he should take a paycut. Sen. Jon Tester, a Montana Democrat, decried top U.S. Postal Service salaries in a letter this week to the board governing the service. Tester wants top postal executives to cut their own salaries and bonuses as they move to cut mail delivery services and close postal plants and offices, laying off tens of thousands of workers. Postmaster General Patrick Donahoe received a base salary of \$271,871 in 2011, according to a November filing by the service with the Securities and Exchange Commission. But he also made another \$81,954 in pension and deferred compensation. And he benefited from \$30,404 in "other" compensation, including security costs, life insurance premiums, parking and financial planning services. All of the top officers at the U.S. Postal Service had annual base salaries topping \$200,000, according to the filing. Donahoe's compensation in 2011 was less than half what his predecessor as postmaster general, John Potter, made in 2010 -- \$798,418. Potter retired last year.

The CEO and chairman of United Parcel Service Inc., D. Scott Davis, made \$10.7 million in 2010, the most recent pay data available for that company. That company employs 398,000 people and reported more than \$3.8 billion in profits last year. The CEO of FedEx, Frederick W. Smith, made \$7.26 million in 2011, according to financial filings. FedEx posted \$1.4 billion in profit for the most recent fiscal year ended May 31 and employs 290,000.

 **Wall Street Journal:** Congress says it is trying to find ways to get the U.S. Postal Service out of the red. But some lawmakers have also become an obstacle in this cost-cutting effort as they resist the agency's plan to close post offices and mail-sorting hubs. Elected officials from West Virginia to New York to Missouri publicly say they will fight the shutdown of a mail plant in their districts after the agency last week named 223 it intends to close. "I'm going to do everything I can to block their efforts," said Rep. Maurice Hinchey (D., N.Y.), pledging a battle to keep a Newburgh, N.Y., plant open. In a flurry of public statements, other lawmakers urged the agency to "halt" or "go back to the drawing board." *[EdNote: Yup . . . You wait . . . They'll twist the Postal Service's arms to back off on consolidation plans, and again accuse the PMG of "folding like a cheap suit." Well, maybe that's because his federal suits are made by a really lousy congressional tailor.]*

 *From the Federal Register:*

Postal Service	
<b>RULES</b>	
International Postal Service – Global Expedited Package Services Contracts , 12724 [2012–5049]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
<b>PROPOSED RULES</b>	
POSTNET Barcode Discontinuation , 12764–12769 [2012–5050]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>

 **The Hill:** Key lawmakers have expressed concern that the Postal Service's top regulator is spending too much time on the road at a time when the agency faces serious financial challenges. Rep. Darrell Issa (R-Calif.), the chairman of the House Oversight Committee, and Sen. Tom Carper (D-Del.) have suggested that Ruth Goldway's trips are hampering the Postal Regulatory Commission's ability to offer advice about proposals that would change how mail is delivered in the U.S. Concerned lawmakers say that, while Goldway has racked up more travel costs than her predecessor, their issue is more that the regulatory commission seems to be falling behind on its duties while the chairwoman is away. "The committee finds Chairman Goldway's travel decisions and absenteeism particularly troubling considering the grave financial situation of USPS, her role in reviewing the limited actions USPS is undertaking, and the fact that she has openly called for USPS to receive a taxpayer subsidy," Ali Ahmad, a spokesman for the House Oversight Committee, told The Hill in a statement. But perhaps most of all, Goldway, a Democrat who has been at the PRC since the Clinton administration, sees the interest in her travel as something of a red herring, and driven by officials who disagree with her on certain postal proposals.

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

- The Postal Service published its unaudited January results with the Postal Regulatory Commission. USPS lost \$1.3 billion in January 2012. The Postal Service's controllable operating loss for the month was \$147 million. The total loss was due to the Postal Service Retiree Health Benefit Fund prepayment of \$1.0 billion and a workers compensation adjustment of \$85 million.
- There has been much confusion about how unenveloped mailpieces should be treated under the new rules and what requirements apply to the unenveloped mailpieces category versus the folded self-mailer pieces category. In this article, consultant Laine Ropson helps clarify the requirements for the most commonly used category of unenveloped pieces – letter-size pieces with tear-off strips.
- According to PostalVision 2020 founder and organizer John Callan, "The U.S. Postal Service is hemorrhaging red ink. The Postal Service recently placed a 911 call to Congress, pleading for permission to address a wound caused by a plummeting first-class mail rate and explosive adoption of electronic



communication. The USPS's proposed five-year business plan, "Plan to Profitability," must be approved and immediately enacted in order to constrain the bleeding and sustain the USPS until 2016."

- Green Teams help Postal Service save millions. Ecommerce to hit \$327B by 2016. Senate Committee to hold nomination hearing of Hammond for PRC. Mobile Ads: The annoyance issue re-emerges. Time for USPS to think outside the mailbox. Sen. Sanders seeks to save USPS from a 'death spiral.' Has Congress made it impossible for USPS to survive. Amid scrutiny of travel, Commission chief bound for Switzerland. Blodget: Of course USPS should restructure, Task: No way - They're ruining America. USPS provides PRC with monthly IMb progress report. Save the Post Office - why the mail still matters. Tester asks USPS executives to take a pay cut. Senator Brown calls for quick action. In meeting with PMG, Higgins fights for Buffalo. How to fix the USPS. Reforming the Postal Service. After massive cutbacks, Quad/Graphics investing in 'redefining print.'
- Updates from the Domestic Mail Manual.
- Updates from the Federal Register that affect the mailing industry.
- 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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March 1, 2012



*At the Postal Regulatory Commission: [Docket No. RM2012-3](#) -- Institutional Cost Contribution Requirement for Competitive Products. "Order Granting Request Of The United States Postal Service For Extension"*





*Boston Globe: U.S. Representative Edward J. Markey, a Malden Democrat, declared his opposition to closing postal service facilities in Waltham in a letter sent this week to Ron Stroman, deputy postmaster general.*





The following has been posted on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsioig.gov>). If you have additional questions concerning a report, please contact Wally Olihovik at 703-248-2201 or Agapi Doulaveris at 703-248-2286.


- [Contract Delivery Service Cost Controls in the Suncoast District \(Report Number CA-MA-12-001\)](#). Our report determined that no contracts were awarded based on possible, rather than active, deliveries. However, administrative officials did not always perform route surveys to verify the actual number of deliveries. Without current and accurate survey information, it may be difficult for contract officials to negotiate an accurate price for a contract and the Postal Service may be incorrectly paying contractors. We also found inconsistencies in the policy related to completion of route surveys in Handbook SP-1, *Highway Contract Routes - Contract Delivery Service*
- [Standardization of Integrated Mail Handling System Loaders at Network Distribution Centers \(Report Number NL-AR-12-002\)](#). Our report determined only 247 of the 524 Integrated Mail Handling System loaders at Network Distribution Centers (NDC) have been modified to accommodate both Postal Paks and over-the-road (OTR) containers. The unmodified loaders can only safely accommodate Postal Paks. Once the remaining loaders are modified, the Postal Service would attain consistent use of the equipment in the NDC network and be able to improve the flow and redistribution of OTR containers, reduce cardboard purchases, avoid unnecessary transportation of empty OTR containers, and eliminate a safety hazard.

 [Tampa Bay Business Journal](#): U.S. Rep. C.W. Bill Young used a fax to pressure the postmaster general into letting St. Petersburg keep its postmark this week. [EdNote: FAX? Ever thought of using the MAIL? I know, heaven forbid. Maybe that's why the Postal Service is seeking to close postal facilities.]

 [Direct Marketing News](#): As the U.S. Postal Service (USPS) — which reported in February losses totaling more than \$3 billion — struggles to stay solvent, it is using a number of promotions to try to keep shippers shipping. Some marketers, though, are skeptical of the value of these promotions, including a 3% discount slated to be offered to direct mailers that use QR codes on their envelopes during the summer.


 [Dead Tree Edition](#): In this increasingly multichannel marketplace . . . the printing industry will be driven to make capital investments in new technologies, such as those to deliver targeted and customized print solutions and to deploy multichannel marketing campaigns through the integration of new media. Competition in the highly fragmented printing industry remains intense. The industry has excess manufacturing capacity created by declines in industry volumes, which is causing the printing industry to face continued downward pricing pressures. In addition, the growth and adaptation of alternative marketing technologies . . . as well as alternative delivery of content has resulted in marketers and publishers allocating their marketing and advertising spend across a wide and expanding selection of non-print media options, which further exacerbates industry overcapacity.

 [New York Times](#): All the free-market enthusiasts in Congress should have no problem with the determination of Patrick Donahoe, the postmaster general, to make the gravely troubled mail system “smaller, leaner and more competitive.” Yet most lawmakers have decried or ducked money-saving options like eliminating Saturday mail delivery and consolidating mail-processing centers — crucial parts of Mr. Donahoe’s reform plan. Their resistance is even stronger to possibly closing 3,653 of the nation’s 32,000 post offices, even though more than 3,000 offices have only two-hour workdays or less than \$27,500 in annual revenues. To be self-supporting, the service aims to cut its 653,000-member work force by more than 100,000 over four years, mainly by attrition. **Congressional action is desperately needed to get reforms moving.** The question is **whether lawmakers will do the right thing in an election year, or let the Postal Service sink further.**

 [Boston Globe](#): The fiscal troubles of the US Postal Service could have been a blessing in disguise for Boston and the MBTA, had the federal agency decided to cut costs by closing an outmoded mail-processing plant next to South Station. Removing the hulking plant would make way for expansion of the train station, which would improve the reliability of the commuter rail system - and open up spectacular development opportunities along Fort Point Channel to boot. Yet when the Postal Service announced a round of plant reductions last week, the list didn’t include the 1.4-million-square-foot Boston plant. Instead, the Postal Service is doubling down on it. The result makes little sense: Processing centers in Waltham and Shrewsbury would close, and operations would move to the Boston plant and North Reading.




[Federal News Radio](#): There are a number of proposals to put the cash-strapped Postal Service on firmer financial ground. But Sen. Ben Cardin (D-Md.) says many of them would reduce the service levels the public has come to expect and further drive away business.

 [Wicked Local](#): Congressman Edward J. Markey, D-7th, urged the United States Postal Service (USPS) to keep the Northwest Boston Area Mail Processing Center in Waltham open and to hold off any decisions to consolidate the plant, after the postal service announced plans to close it. Read more: Ed Markey calls for Waltham postal facility to remain open.

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*Hey Congress! We've all heard loud and clear what you don't want to have happen to reduce postal costs. What we now want to hear is what Congress actually wants to do to ensure the nation a viable universal mail delivery system that will fulfill its infrastructural mission to serve as a platform for economic growth.*

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 **Post & Parcel:** Deutsche Post has teamed up with Microsoft to allow small and medium-sized businesses in Germany to manage their customer relationships in a “cloud computing” platform connected to the mail. The German postal service unveiled its new “Dialogue Manager Online” service today at a trade fair in Hannover, offering an online Customer Relationship Management (CRM) system for SMEs.

*February 29, 2012*



*If the political pundits are correct, there is a high likelihood that both the Senate and the White House will remain in Democratic hands. If that's the case, the 2012 election will do little to change the face, or the challenges it faces today. There is no reason to delay. Congress should get working on postal reform . . . . WORK . . . . Remember? The reason we PAY members of Congress.*




 **Courier, Express, and Postal Observer:** In yesterday’s post, I stated that “The Postal Service has been coy about whether it will offer retirement incentives partially because if Congress passes a bill that includes the incentives included in the S.1789, the Postal Service can offer larger incentives than it can under current law and the Postal Service needs the refund of FERS over-payments to cover early retirement incentives.” This statement raised some questions from readers that are worth responding to in a full post.

 **Post & Parcel:** Latvian Post’s new management board has launched a review of the business ahead of the liberalisation of the country’s postal market next year. Ministers appointed a new three-person board last month, chaired by former head of delivery Māris Kleinbergs, with a view to the arrival of competition in the postal market from January 2013 in compliance with European Union postal laws. Yesterday the Post said its new leadership is now planning a reform process for existing operations and developments that will also involve introduction of new services. The biggest changes will involve a restructuring of the company to avoid duplication of operations and cut out unnecessary costs. Currently, Latvian Post has around 600 sites and 4,600 staff.



*From the Federal Register: Postal Regulatory Commission NOTICES Postal Service Pricing Proposals , 12336–12337 [2012–4787] [TEXT] [PDF]*

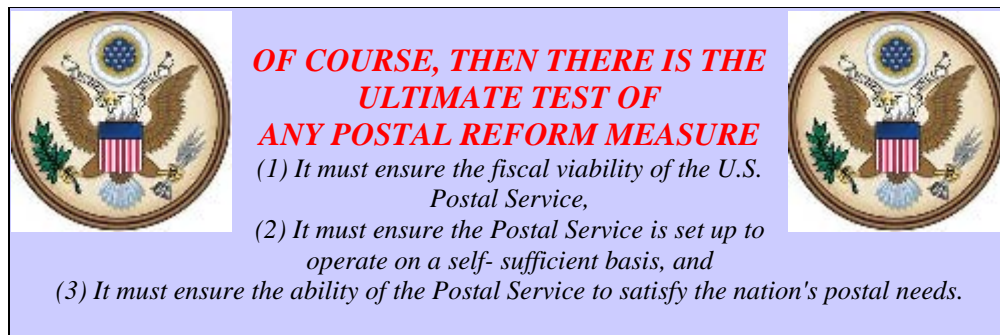
 **Target Marketing:** 2012 Media Usage Survey Extra: Where Are B-to-B Marketers Putting Their Money?





The Postal Service is one of America's great institutions. It connects 150 million households and businesses and is the bedrock infrastructure of the American economy and society. Yet the Postal Service faces powerful and unpredictable forces. These forces – the economic downturn, the Digital Age, globalization, and statutory and regulatory demands – are fundamentally changing its outlook for the future. Actions are needed by postal management and Congress to assure that all Americans have universal access and the opportunity to take part in the emerging new world. But, what are those actions? Scheduled Guest Contributors:


- James Campbell, Attorney and Consultant
  - Jeff Colvin, Director Economist, OIG
  - Dan Combs, CEO, eCitizen Foundation
- Steve Hutkins, Editor and Administrator, Save the Post Office
- Richard Kielbowicz, Associate Professor, Communication Networks
  - Roger Kodat, former Official, Department of the Treasury
- **Jessica Lowrance, Executive Vice President, Association for Postal Commerce**
  - John Payne, CEO, Zumbbox
  - Alan Robinson, Courier, Express, and Postal Observer
- John Waller, former Director of Office of Accountability and Compliance, Postal Regulatory Commission


## *The OIG's Inquiry Into Five Elements of A Postal Solution . . . Check it out!*





 **Post & Parcel:** US mail technology company Pitney Bowes has struck up an important alliance with software giant Adobe to boost the capabilities of its forthcoming digital mail platform, Volly. The partnership should have a number of outcomes, including an improvement in the data analytics that will be available to mailers sending transactional mail digitally through the Volly Secured Delivery System. It will also mean the Volly service can be accessed by consumers on the go, via mobile phone applications and tablet "apps" including for iPhones, iPads and Android systems. And, the company said it will mean a "white box" version of the Volly platform can be implemented by postal operators and banks around the world, to use as their own self-branded digital mail platforms.

 **NCTechNews:** Bell and Howell, a leading provider of solutions and services for paper-based and digital messaging solutions, today announced that 22 employees in the company's postal software group have been certified by the USPS® as Mailpiece Design Professionals (MDP). Employees in the customer support, data services and professional services departments earned the certification.


 **Business Wire:** TransPerfect, the world's largest privately held provider of language services and translation-related technologies, today announced a new relationship with The United States Postal Service (USPS). The USPS has set the goal of providing a complete online experience and more personalized services for its customers whose language preference is Spanish or Simplified Chinese. To this end, the USPS has enlisted TransPerfect services and technologies.


 **Postal Technology International:** With Russia, yet another country has turned to the innovative KePol logistics solution for the delivery and pick-up of parcels. Especially in urban areas such as Moscow and St. Petersburg, KePol machines provide the secure transfer of items on a 24-hour basis. The Pochtomat company is currently revolutionising e-commerce in Russia by providing the safe transfer of goods using KePol machines with LogiBox branding. Pochtomat is the operator of a machine network that gives web shops an opportunity to choose from various logistics companies to deliver items to their customers. The Russian parcel logistics market is characterised by enormous expansion with annual growth rates of 30 to 35 percent. In 2011 a transaction volume of Euro 8 billion was generated.


 **The Big Fat Marketing Blog:** It must be just sheer callousness or tone-deafness to the sufferings of the less fortunate that would drive anybody to even think of eliminating or raising lower postage rates for nonprofit mailers on the pretext that it might help cut the USPS's deficit. But that's exactly what Rep. Darryl Issa wants to do with his bill H.R. 2309.


 **Gizmodo:** The Earth has a roughly 12 percent chance of experiencing an enormous megaf flare erupting from the sun in the next decade. This event could potentially cause trillions of dollars' worth of damage and take up to a decade to recover from. In today's electrically dependent modern world, a similar scale solar storm could have catastrophic consequences. Auroras damage electrical power grids and may contribute to the erosion of oil and gas pipelines. They can disrupt GPS satellites and disturb or even completely black out radio communication on Earth. [EdNote: And we're worried about postal reform?]


 [Yahoo! Finance](#): Form 10-K for United Parcel Service Inc


 [Loyola Phoenix](#): Congress hasn't helped the Postal Service with its mandates. In 2006, lawmakers required an annual prepayment of retiree health benefits for the next 75 years. Right now, that has USPS paying \$5.5 billion a year through 2016. The Postal Service is unusual among government agencies in that it does not rely on any tax money. But at the rate things are going, it could soon become a burden on taxpayers. For all the benefits of email, there is still mail that has to get shipped the old-fashioned way through the post office, from packages to physical receipts of payments. And although privatized mail carriers such as UPS and FedEx now send a huge percentage of shipments across the nation, they are also two of the biggest customers of USPS, who can ship where they can't. These companies don't ship everywhere; the Postal Service does. If nothing is done, and soon, this vital American institution will fade away.


 [Ground Report](#): More than a hundred and fifty years old organisation, India Post is one of the giant departments of the government of India. With around 155000 post offices it is the biggest postal system in the world employing close to 500,000 people. A vast majority of the post offices – approximately 130000 – are located in the country's rural recesses and have been instrumental in letting in fresh air into the hinterland. Most were opened during the period of hectic expansion of postal facilities commencing around half a century ago under the department's commitment to provide to every single person access to basic postal services in a largely poor country at affordable cost – a concept that goes by the name of Universal Service Obligation.


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


 Rising profits despite a decreased turnover marked PostNord's business development last year.


 Given the significant drop in volumes at PostNord, CEO Lars Idermark announced a change of strategy. In the light of the current development there was a 'great need to restructure PostNord's operations in the next few years'. This would lead to fundamental changes and major investments into production and infrastructure, said Idermark. According to him the logistics business will be expanded - among other things through acquisitions. Overall, PostNord plans to invest between 800 and 900m euros in the next three years.


 PostNL was able to stabilise its turnover despite a significant drop in addressed mail volume (-7.2%) last year.


 The Danish post has improved its mail collection efficiency by RFID tags.


 Pos Malaysia recorded a considerably rise in turnover and significantly higher earnings in the last business year.


 According to the responsible authority Posten Norge violated data protection regulations. Thus, Datatilsynet imposed a fine of 13,500 euros on Posten Norge news portal »Posttipp« (28.02) reported. The case in point concerns Posten's address database. The authority stated that the Norwegian post failed to delete addresses from the database in due time when customers requested so.


 RPost entered the Swiss market announcing an aggressive expansion strategy.


 Poste Italiane plans to sell its subsidiary Mistral Air. Besides letter and parcel transports the airline also operates passenger flights to Christian pilgrimage sites like Lourdes in France.

 New Zealand Post Group recorded higher revenues and vastly improved results in the first half year of the fiscal year 2011/2012.

 Swiss Direct Mail Company AG (DMC AG), a wholly-owned subsidiary of Swiss Post, takes over AWZ AG's delivery business, effective March 1.


 Mail order business continued to thrive in Germany in 2011. On Monday the German E-Commerce and Distance Selling Trade Association (bvh) reported that the industry generated a new record revenue of 34bn euros, up 12.2 from the previous year.

 Swiss Post launched an online platform for people interested in logistics called 'Logistikpunkt' (logistics point). The platform will provide information on logistics and enable experts to communicate with each other.


 The Russian post closed the third consecutive year in the black.





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.)*


 [KXLH](#): U.S. Senator Jon Tester (D-MT) is asking U.S. Postal Service executives to take a pay cut. On Tuesday, he wrote a letter to the Postal Board of Governors saying senior leaders of the Postal Service should forgo some compensation. [*Johnny Paycheck: " ♪ ♪ ♪ Take this job and shove it. I'm not workin' here no more.....♪ ♪ ♪ "*]


**February 28, 2012**


 [PC World](#): Mobile payment technologies are spreading fast, as Google Wallet is already available on NFC-ready Android phones, and Isis Mobile Wallet is coming this summer. But mobile payment technologies may be slow to spread, at least in the U.S., as polls show Americans are suspicious of NFC technology for security reasons, analysts note. Backers of mobile payments, meanwhile, say that NFC technology is more secure than plastic credit cards, and that users would not be held liable for losses through theft or fraud. The skepticism among Americans is at odds with widespread acceptance of using NFC mobile devices in South Korea and Japan and parts of China to pay for train rides and small retail purchases.


 [Post & Parcel](#): Mailers in the UK could be facing increases in Royal Mail postal rates above 20%, once Ofcom brings down the company's regulatory price controls. That was the suggestion from Royal Mail chief executive Moya Greene today, as she faced a barrage of questions from a Parliamentary committee about her company's pricing plans.


 [Post & Parcel](#): Deutsche Post has completed its withdrawal from financial services, selling its remaining stake in the Postbank business to Deutsche Bank AG.


 [The Vindicator](#): U.S. Sen. Sherrod Brown, a Democrat from Avon, on Tuesday called for quick action to save postal service jobs in Youngstown and across Ohio. In a letter to Senate Majority Leader Harry Reid of Nevada, Brown urged the Senate to pass postal reform legislation that would restore the USPS to fiscal solvency. Brown has cosponsored the Postal Service Protection Act, which preserves Saturday mail delivery, restricts the closure of rural and urban post offices, and protects mail processing facilities. The legislation would eliminate the federally-mandated requirement that the postal service prefund 75 years worth of future retiree health benefits. This mandate costs USPS \$5.5 billion annually and has accumulated 50 years' worth of pension funds to date.


 [WKBW](#): Late Monday, New York Congressman Brian Higgins met with United States Postmaster General Patrick Donahoe to make the strongest case to keep the United States Postal Service mail processing facility in Buffalo open. "From the onset the Postmaster has indicated that the closing list was 'fairly set' and over the last several months we've become increasingly frustrated with the lack of justification and transparency in the USPS process," Higgins said in a news release. "But, we don't ever give up on Western New York. Buffalo deserves to be heard and we took our fight to the top."


 [The Daily Camera](#): These are busy times for postal inspectors in Colorado. Investigators at the U.S. Postal Inspection Service in the state said that, anecdotally, they have seen a dramatic increase in the amount of marijuana people here are trying to mail out of the state.


 [Post & Parcel](#): Finland's Itella Group has announced plans to cut 70 jobs within its Swedish and Danish logistics operations.


 [Post & Parcel](#): Guernsey Post is switching its delivery service to a five-day week from the end of next month.

 [Seattle Weekly](#): An investigation by the Occupational Safety and Health Administration (OSHA) confirmed allegations that the Postal Service discriminated and retaliated against a Seattle employee who helped a co-worker file a safety complaint. The Department of Labor is now in the rare situation of suing the Postal Service for violating federal whistleblower protection laws.

 [Courier, Express, and Postal Observer](#): Looking at the APWU job cuts as a proportion of total APWU jobs by craft shows the extent of the impact on individual employees and provides some idea as to the impact on mail handlers, supervisors, managers and administrative personnel. and The projected job cuts that the Postal Service provided the American Postal Workers Union (APWU) shows that three Areas will see mail processing jobs cut by more than 20% with the Eastern Area seeing job cuts of nearly one-third. Information on maintenance crafts suggests that the consolidation is expected to reduce maintenance employees by over 80% in two areas with over 56% of maintenance jobs lost nationwide.


 [Bangor Daily News](#): The U.S. Postal Service is neither broken nor bankrupt. Rather, a number of important actions need to be taken to enable this invaluable American institution to be saved as well as revitalized. First, President Obama and Congress need to adopt immediate corrective legislation to ensure that the postal service is adequately funded by addressing the real reason for the USPS's financial problems. Proposed cuts only will make the financial problems of the USPS worse, not better. With further cuts in services and resources, the USPS will lose even more customers, creating a continued downward spiral of lost revenue and financial shortfalls. A constructive alternative proposal has been advanced by David C. Williams, inspector general of the USPS


 [Bangor Daily News](#): Sen. Susan Collins, R-Maine, celebrated the emergence of the traditional L.L. Bean hunting boot as a hot fashion item Thursday morning during a tour of the company's manufacturing facility in Brunswick.


 [Hornell Evening Tribune](#): The planned consolidation of more than 260 U.S. Postal Service processing centers, a plan unveiled last week, is separate from the possible closure of mail retail locations, according to a Postal Service spokesperson. While last Thursday's announcement marks the end of a study regarding consolidating processing centers, examining the shuttering of Postal Service retail offices is continuing.


 [At the Postal Regulatory Commission: Employment Opportunities at the PRC.](#)





 [Courier, Express, and Postal Observer](#): Last week, the Postal Service provided employees significantly more information regarding the scale of the changes coming to its operations and for many employees whether the facility they now work at will remain open. While this information has provided employees with some indication as to what lies ahead, the details as to what will happen to individual employees remain sketchy.


 [Online Media Daily](#): By 2016, nearly 10% of consumer spending will be done online, according to new estimates from Forrester. By then, the research group expects U.S. ecommerce sales to reach \$327 billion -- up from roughly \$200 billion in 2011. Key growth drivers include consumers' greater familiarity with the Web, along with rapid mobile and tablet adoption. Further fueling ecommerce are new shopping formats, including flash sales and subscription models; online loyalty programs; and aggressive promotional offers from Web retailers.


 [Forbes](#): USPS loses millions of dollars annually. Any business that loses this much money annually should be restructured, sold or eliminated. Instead of looking at the past, analyzing the trends and identifying strategies for the future, USPS continues to stay in the pony express mode; essentially they "gave" business to United Parcel Service (UPS) and Federal Express. It is critical to (a) understand consumer trends, (b) adapt to consumers' needs, (c) ensure quality standards, and (d) be strategic in the marketplace. The U.S. Postal Service failed in all four areas.

 **BBC**: Plans to increase the prices of stamps will not lead to an "affordability issue", the Royal Mail chief executive has told MPs. Moya Greene told the Commons' Business Committee that the cost of stamps would have to rise. Regulator Ofcom is consulting on plans to remove price caps on first class stamps and raise the price limit on second class to as much as 55 pence.

 **DutchNews**: Top managers at TNT Express and PostNL received millions of euros in extra payments when the express delivery service was split from postal delivery last year. The money came from the sale of shares during a period when the share value of both companies had fallen, says the Volkskrant, quoting PostNL's annual report for 2011. Peter Bakker, CEO of TNT Post before the split, received nearly €900,000 extra. This, together with other benefits and a golden handshake of €2.6m, brought his pay-off to €4.5m.


 **ERR News**: Estonian residents should think twice before ordering any pills, blue or otherwise, over the internet - nearly 200 such packages have been returned to their senders over the last six months, national postal service Eesti Post has said. According to the Medicinal Products Act, it is forbidden to send and receive any drugs by mail if one party to the transaction is a legal entity, as is the case with online purchases. Private persons, however, are allowed to send up to five unopened packages to one another.


 **Register-Guard**: The U.S. Postal Service has decided to forge ahead with its poorly conceived plan to close mail distribution centers in Springfield, Salem, Pendleton, Hillsboro and Bend and have their work picked up by Portland's facility. U.S. Rep. Peter DeFazio calls Thursday's announcement that the agency will proceed with the closures "outrageous."


 **Reuters**: Dutch mail firm PostNL NV said it raised the value of its stake in TNT Express, the delivery firm which U.S. peer United Parcel Service has offered to buy, reflecting gains in the share price.

*February 27, 2012*


 **At the Postal Regulatory Commission: [USPS Preliminary Financial Information, January 2012.](#)**

 **Committee on Homeland Security and Governmental Affairs**: Nomination of Hon. Tony Hammond to be a Commissioner, Postal Regulatory Commission March 06, 2012 10:30AM, Location: SD-342


 **RFID Journal**: Danish postal operator Post Danmark—a branch of PostNord, which provides national postal services to Denmark and Sweden—is employing an RFID system that tracks the movements of postal vehicles and the emptying of mailboxes throughout the entire country, via transponders that both transmit and receive data upon coming within read range of each other. With the solution, provided by Danish startup Commotive, PostNord has been able to improve the accuracy of its pickup times at each mailbox, as well as optimize carrier routes and reduce the need for carriers and vehicles, according to Christian Østergaard, PostNord's head of business information and production alignment.


 **Yahoo! Contributor Network**: Problems within the United States Postal Service continue, as it struggles with a growing deficit and shrinking business. Desperate to come up with a plan that will salvage the independently funded public service, the Postmaster General, Patrick Donahoe, is calling for fast implementation of the new five-year package. In order for the plan to be successful, an annual reduction in expenditures of \$20 billion by 2015 is an absolute necessity. To accomplish this task, Donahoe has endorsed sweeping changes that effect employees and customers alike. To implement the changes, legislative reform has to come from Washington. The APWU is opposed to the new plan. They advocate that the closing of post offices and mail centers will mean the death of mail service. It is the opinion of the Postal workers Union that modernization, improving services, and offering new products are the keys to success. To date there are no viable economic experts that agree with the assessment of the Union President. There is overwhelming agreement that unless the Postal Service streamlines its operations by cutting unnecessary jobs, post offices, and mail processing centers it cannot survive the 21st century. If it fails, the taxpayer will become responsible for its debt and continued operation, and that is not an acceptable outcome.



 **DMM Advisory: Customer Support Rulings Posted.** The Postal Service™ has issued three in a continuing series of revised and new Customer Support Rulings. They are posted on Postal Explorer® ([pe.usps.com](http://pe.usps.com)):

- (Revised) [PS-177](#), *Mailpieces Opened After Delivery*, provides policy guidance to customers and postal employees concerning mail endorsed "Return Service Requested" or any unendorsed piece of mail that is opened and returned.
- (New) [PS-338](#), *Mobile Barcodes (QR Codes) Printed in Periodicals Publications*, includes a new policy statement concerning the use of Mobile Barcodes in a Periodicals publication to determine whether they would be considered advertising or nonadvertising content.
- [PS-339](#), *Sealed See-through Pouches in Periodicals Publications*, includes a new policy statement concerning perishable matter that may be inserted in copies of a Periodicals publication as unsolicited promotional product samples prepared in completely sealed, sift-proof, see-through pouches.


 [Post & Parcel](#): By 2050, consumers could be producing their own customised products on 3D printers, with the global logistics industry providing raw materials physically, and blueprints for those products digitally. That is one of the five possible scenarios the world might find itself in within 40 years, according to a study by Deutsche Post DHL entitled "Delivering Tomorrow: Logistics 2050?".


 [Washington Post](#): There were early expectations of large Republican gains — based on the disproportionate amount of territory Democrats are defending this year — but those have subsided amid signs of an economic rebound, increased approval for President Obama's performance and a GOP presidential contest that's left independent voters feeling uneasy about that party's issue focus. While Republicans are still expected to gain seats — they need a net gain of four to secure a clear majority — independent handicappers now forecast an outcome that could produce only the fourth evenly split Senate in history. Such an outcome, no matter who claims the White House, could leave the next president in a fairly similar situation to the past 14 months: a paralyzed Senate and an unstable House majority that has transformed Washington governance into something resembling a never-ending hostage negotiation in which each side latches on to an issue and demands some form of political ransom in exchange for its survival. [EdNote: *Who knows? Maybe the kids will finally decide they need to figure out how to get along. Wonder who's gonna be sent to time-out.*]



[Video: The Leader Of The Next Party To Take On Postal Reform](#)



 [Mobile Marketing Daily](#): Mobile advertising may have moved at a breakneck pace since the mid 2000s, when you couldn't even find an ad on most phones -- but consumers have not. They still say mobile phone advertising bothers them considerably more than even the annoying torrent of online promotions. A survey of over 4,000 people in the U.S. and U.K. by YouGov on behalf of Upstream finds that 67% of U.S. respondents found unwanted ads served to their mobile phones and smartphones the most offensive, compared to only 9% who found them most offensive on PCs and only 2% on tablets.


 [The Hill](#): *John Callan, Ursa Major Associates* -- "The U.S. Postal Service is hemorrhaging red ink. The Postal Service recently placed a 911 call to Congress, pleading for permission to address a wound caused by a plummeting first-class mail rate and explosive adoption of electronic communication. The USPS's proposed five-year business plan, "Plan to Profitability," must be approved and immediately enacted in order to constrain the bleeding and sustain the USPS until 2016. The Plan to Profitability will not fix the Postal Service, but it will keep it alive for now. Nothing short of a bailout is more likely to save the Postal Service than its Plan to Profitability for the near term. It should be urgently approved. And the open and independent conversation about what comes next should begin now as well.



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

Elements of a Postal Solution. The U.S. Postal Service is one of America's greatest institutions, connecting 150 million households and businesses. However, it faces powerful and unpredictable forces. Actions are needed by postal management and Congress to assure all Americans have universal access. Beginning in March, the OIG will host a series of five week-long blogs discussing the elements of a postal solution. Guest commentators with a wide range of views inside and outside the postal community will contribute to the series. Everyone is encouraged to participate. View the upcoming blog series schedule, including the list of guest contributors, on our [blog](#). New audit projects have been started on the external website.

- [Follow-up on Financial Accountability Audit Reporters – 12BG013FF000](#). The purpose of this audit is to assess Postal Service management's response to recommendations from prior financial accountability audit reports. This review addresses financial and operational risks associated with the status and efficacy of corrective actions on prior OIG reports and whether they addressed the audit recommendations.
- [U.S. Postal Service's Motor Vehicle Accident Prevention Program – 12YG016HR000](#). The Postal Service uses a safe driver program that established policies and guidelines to ensure that Postal Service drivers are qualified to drive safely. The objectives of the safe driver program are to equip drivers to: drive safely; comply with Department of Transportation regulations; reduce human suffering; reduce property damage and costs; collect and deliver mail efficiently; drivers who are trained to integrate safe driving practices into their daily activities support the operational effectiveness of the Postal Service. Our objective is to assess the effectiveness of the Postal Service's motor vehicle accident prevention program. We plan to review vehicle accidents that occurred in fiscal years 2010 and 2011, interview management to determine the causes for the motor vehicle accidents and how they plan to prevent vehicle accidents. We also plan to review motor vehicle accident prevention programs at major U.S. corporations to identify best practices and determine whether the Postal Service can adopt these best practices in order to reduce motor vehicle accidents costs. What controls should management implement to reduce vehicle accidents costs?
- [Frederick, MD to Baltimore, MD AMP Consolidation – 12YG017NO000](#). For this project, we are reviewing operating conditions at the Baltimore, MD Processing and Distribution Center (P&DC). We will conduct observations of mail processing activities and review operational data to identify potential issues resulting from the consolidation of the Frederick, MD Processing and Distribution Facility (P&DF) into the Baltimore, MD P&DC. These issues could include delayed mail, service declines, safety issues and staffing levels. Our objectives include: Assessing the consolidation of the Frederick, MD P&DF destinating mail into the Baltimore, MD P&DC; examining stakeholder concerns with those mail processing issues resulting from the consolidation.
- [City Delivery Operations Data Usage – 12XG013DR000](#). For this project, we will look at various reports, metrics, and other data sources used by Postal Service staff at all levels. Specifically, we will look at Postal Service requirements for using data and whether or not they are followed, if there are consistencies with how data is used nationwide, the usefulness of the data, staffs ability to access data, and identify possible best practices for how data is used. The objective of our audit is to determine how the Postal Service is using data to manage city delivery operations.
- [Information Technology Software and Infrastructure Service Agreements – 12RR005IT000](#). The Postal Service is committed to creating and maintaining a cost-effective Information Technology (IT) environment to safeguard the integrity, confidentiality, and availability of Postal Service information. This includes the acquisition of software, hardware, and services to provide the products and services that meet IT standards for the development, implementation, and maintenance of the Postal Service infrastructure. Acquisition activities should ensure that the Postal Service could negotiate cost beneficial IT software and infrastructure service agreements by consolidating requirements into advantageous solicitation. The IT Category Management Center (CMC) is responsible for creating and maintaining national agreements for the Postal Service covering computer hardware, software, IT services, and retail systems. The Postal Service requires that all systems and services use standards to leverage the benefits of faster deployment and efficient development and operation.

 [Wall Street Journal](#): Chancellor Angela Merkel's effort to rally the German people behind her strategy for saving Greece and the euro suffered a blow over the weekend after a senior member of her government said Athens should be encouraged to leave the currency bloc. "The chances that Greece can renew itself and become more

competitive are surely greater outside the currency union than within it," said Interior Minister Hans-Peter Friedrich. Athens shouldn't be forced to leave, but rather given incentives "that they can't refuse." [EdNote: See below.]



[Federal News Radio](#): [Federal News Radio](#): Buyout season is upon us. January, February and March are the months that buyouts are most cost-effective for Uncle Sam. So what would you do if the boss offered you \$25,000 (before deductions) to take regular or early retirement?

What's your tipping point? Last year (2011), 21 federal agencies offered buyouts to more than 30,000 federal and postal workers.

[PRWeb](#): The Post Office has developed a new program called Every Door Direct Mail. It has several advantages for churches looking to reach out to their communities this Easter including: no mailing list required, postcards can be oversized increasing response rates, and the cost of the postage, which is 14.5 cents. Memory Cross and Wall Printing have created a program that allows churches to take advantage of this new service to reach out to their communities

[Mid Day](#): A nation-wide 24-hour general strike called by major trade unions Tuesday could cripple the country's transport, banking and postal systems after the government's attempts to avert it remained unsuccessful Monday.

[Savannah Morning News](#): You needn't hold an MBA to recognize the folly of continuing to do business the way you always have when the demand for your main product — first-class mail — drops 27 percent in three years. Or be a Darwinian scholar to grasp the long-range ramifications of online bill pay, now used by 60 percent of Americans and up 55 percent in the last decade. And the number is growing. The USPS might not be broke fiscally, but it is broke from a business model standpoint. Change comes harder to the Postal Service than to organized religions. Much of the resistance — in both instances — is due to the faithful.

[DutchNews](#): Postal delivery group PostNL saw volumes fall 7% in 2011 but sales were stable at some €4.3bn, the company said on Monday.

[ChannelOnline](#): The recent travel disruption brought about by severe fog has caused a post backlog equivalent to levels usually seen in the run up to Christmas. Jersey Post say they implemented contingency plans over the weekend to ensure all the 160,000 items of mail were ready for delivery this morning. The company confirmed that all items of inbound mail from Thursday, Friday and Saturday last week will be out for delivery today and are asking islanders to be patient as rounds will be taking longer.

[Fox Business](#): Mailing and logistics company Deutsche Post AG said Monday it sees no need for Germany's regulator to approve prices for bulk mail. The company was responding to plans by German Economic Minister Philipp Roesler to amend the post law allowing the Federal Network Agency, which oversees competition in German telecommunications, postal and electricity markets, to approve pricing changes for bulk mail.


[Canton Repository](#): Although many blame Congress and email for the conundrums of our mail service, I blame postmarks. The nifty circular ones suddenly disappeared, replaced by a fuzzy, dot-matrix line. The city is not yours, it's wherever the mail was sorted. It stinks. A postmark from your town once was a point of pride, an official confirmation that, indeed, your spot on Earth existed. Institutions can be hundreds of years old, but relevance today is as fragile as a simple postmark (invented in 1661).


[DJournal](#): The U.S. Postal service isn't supported by the government, but its cost-driven reductions suggests a scenario for many other government-related public services when Congress and an administration (which one remains uncertain) act on the necessity of dramatically cutting federal spending. Read more: [djournal.com](#) - OUR OPINION Postal cuts suggest deficit cuts' impact

[The Raw Story](#): With the U.S. Postal Service proposing to make draconian cuts to its workforce and services starting in mid-May, Senator Bernie Sanders (I-VT) has emerged as the leading opponent of any changes that would reduce the quality of service on which many Americans depend. The plan announced this week would involve shutting 223 out of 461 mail-processing centers, cutting 35,000 jobs, shutting many




smaller post offices, and seeking Congressional approval to eliminate Saturday mail delivery. One result would be that there would no longer be any possibility of first-class letters arriving the next day. After these details became public, Sanders responded on his Senate website, "The plan announced today by the U.S. Postal Service is deeply flawed and Congress must change it. I expect comprehensive postal reform legislation to be on the floor of the Senate within the next few weeks."


 [The Times of India](#): The postman in rural areas across the country has his hands full. Apart from his regular job, he now has to go out three to four times a week to collect data from retail outlets which is then used to calculate the rural consumer price inflation. Faced with an acute manpower shortage, the ministry of statistics and programme implementation tied up with the department of posts to get over the problem of collecting such massive amount of data from rural areas across the country.


 [The Hill](#): As it presses ahead with plans to cut costs, the U.S. Postal Service (USPS) says it is also trying to avoid putting added pressure on states that allow residents to vote by mail. The cash-strapped agency, which announced last week that it could close 223 or more mail processing centers in the coming months, has also said that it was working with state election officials to soften the blow on ballot collection during this presidential election year. But, so far at least, the agency's efforts are getting mixed reviews from local officials and lawmakers on Capitol Hill, with California's secretary of state even calling on USPS to delay any facility closures until after November's general election.


 [The American Consumer Satisfaction Index](#): Scores By Company U.S. Postal Service (Express & Priority Mail)


**February 26, 2012**


 [PostalReporters News Blog](#): Sens. Barbara A. Mikulski and Ben Cardin, both D-Md., demanded Thursday a halt to a new study on moving Easton's mail processing facility to Wilmington, Del. *[EdNote: My lord, yes! Halt the study! You actually might find out something you really don't want to know....Like...the facility's really not needed and simply is adding unnecessarily to postal costs.]*

 [Reuters](#): German Economy Minister Philipp Roesler wants to limit Deutsche Post's ability to influence the prices of stamps for bulk mail, in order to boost competition. The Federal Network Agency, which oversees competition in German electricity, gas, telecommunications, postal and railway markets, will in the future examine prices for such stamps and give its permission before they are changed, a spokeswoman for the Economy Ministry said on Sunday.


 [News.az](#): Azerbaijan has been elected in Board of Guardians of the World Post Union (WPU) for Eastern Europe and North Asian region.


 [At the Postal Regulatory Commission](#): In December, the United States Postal Service requested a non-binding advisory opinion from the Postal Regulatory Commission on its proposal to consolidate its mail processing network and alter the delivery standards for First Class Mail and Periodicals. This request was designated as PRC Docket No. N2012-1. In support of its proposal and request for advisory opinion, the Postal Service submitted testimony from 13 witnesses and several thousand pages of supporting documentation. Initial discovery concluded on Friday. Under the law, an advisory opinion of this type is governed by the Administrative Procedure Act, and requires an on the record hearing, as specified in 39 U.S.C. 3661(c). Public Hearings have been scheduled. A copy of the one page procedural schedule for this docket is published on page 8 of this document: [http://www.prc.gov/Docs/79/79586/POR\\_5.pdf](http://www.prc.gov/Docs/79/79586/POR_5.pdf)


 [OpEdNews](#): Without the federal government interceding soon, the United States Postal Service will have insufficient funds to pay its obligations. Should the feds bail out the Post Office in the same fashion as the auto, banking and other lenders were? And, do we even need them when private companies like United Parcel Service and Federal Express deliver packages and letters while showing a yearly profit? Even Postmaster General Patrick Donahoe told a Senate committee that he would like to run the Post Office more like the way private competitors are run, but that current federal law and policy prevent him from doing so. Bottom line, Congress may have both tied its own hands from offering a bailout to the Post Office while at the same time helping the USPS go under.


 [Federal Times](#): Barely two weeks after a prominent senator questioned her travel activities, Postal Regulatory Commission Chairman Ruth Goldway is unapologetically heading overseas. Goldway, who publicly posted her travel records on the commission's web site this week after giving them to Carper's office, has defended her travel as relevant to her work and beneficial to the Postal Service and the mailing public. Carper spokeswoman Emily Spain questioned Goldway's priorities. "Embarking on travel that does not appear to be closely related to the role the Postal Regulatory Commission has been given in addressing the Postal Service's dire financial situation would appear ill-advised at this critical juncture," Spain said.


*February 25, 2012*

 [Fresno Bee](#): There are many who think we could do without the U.S. Postal Service in an era when technology seems to have surpassed what some derisively refer to as "snail mail." California Secretary of State Debra Bowen isn't one of them, and she's worried that Postal Service cutbacks could disenfranchise some voters in the June primary election. Bowen says that the threatened closure of up to 11 mail processing centers in California, including three in the Valley, will slow mail delivery and result in some mail ballots not arriving in time to be counted. Late-arriving ballots are not counted, even if they are postmarked ahead of the election. They must be in the hands of elections officials by 8 p.m. on election day. That's when the polls close in California. *[EdNote: Show me the money!]*


 [Tucson Citizen](#): The U.S. Postal Service this week announced that it will go through with plans to close its Cherrybell mail processing plant here. Phoenix will now process Tucson's mail. The net effect of that on Tucson will mean a first class letter will arrive at its intended destination about a day later than usual. That's hardly cause for the garment rending and teeth gnashing by Tucson's political leaders the past few weeks. The elimination of about 150 jobs is despairing yet necessary if the USPS is to survive and continue its critical role in American society and economy. The USPS is in trouble. It's losing billions of dollars a year. The U.S. government doesn't want to subsidize mail delivery. It wants mail users to pay for the cost of delivery. The inefficient and labor-intensive processing system must change if the USPS is to survive. To do that, it has come up with a modernization plan that will eliminate about half of its nearly 500 processing plants. It also wants to close rural post offices, eliminate Saturday mail delivery and make a handful of other reforms in order to save about \$3 billion in annual operating costs. Standing in the way are numerous members of Congress spurred on by local and state leaders who want the USPS to reform its operations elsewhere. It's kind of a reverse NIMBYism. Call it KIMBYism for Keep It In My Backyard. But the Congress suffers from multiple personality disorder when it comes to the mail. It wants the USPS to pay its own way but it doesn't want it to raise postal rates, close any facilities or layoff any mail workers, especially not in an election year. When USPS leaders explain their problem and plans to solve it, it's as if the Congress sticks its fingers in its ears and says "la la la la la, I can't hear you, la la la la."


 [Minot Daily News](#): The U.S. Postal Service is forging ahead with its ill-conceived plan to close hundreds of mail processing centers across the country, including facilities in Minot and Devils Lake. The decision will make the U.S. Postal Service even less necessary, and it will mean fewer customers, leading to even more financial problems down the road. As it announces the mail processing closures, the postal service also continues to press Congress for permission to drop Saturday delivery and raise the price of a stamp by 5 cents. We wonder if officials would miraculously change their minds on the closures if they got their way on dropping Saturday delivery, which they have been virtually demanding for years. Congress should not give in to such blackmail, of course, nor should Congress allow closures of centers like the one in Minot. As this city grows, and western North Dakota booms with business and population, reducing postal service here makes absolutely no sense. *[EdNote: Hmmmm. It would really be nice if, for once, the Minot Daily News would say what it thought Congress SHOULD do. Oh...and by the way, there is no such thing as a free lunch. Whatever you want will have to be paid for.]*


 [Workers World](#): Community Labor United to Save Postal Jobs & Services issued a media release on Feb. 18 after newspaper, TV and radio media barraged the public that same day with reports that the postal service is broke. The group is organizing a rally on March 17 to protest attempts to lay off postal workers and close post offices. *[EdNote: Great....Now we've heard from the Commies.]*


 [Contra Costa Times](#): Junk mail is under fire in cities nationwide. More than 100 cities, including several in the Bay Area, have joined a Berkeley nonprofit that puts up a virtual "no trespassing" sign to slow the onslaught of 83


billion pieces of unsolicited mail and catalogs sent to U.S. mailboxes annually. San Jose and Berkeley last year worked with Catalog Choice to spread the word to residents and businesses about the free, optional service similar to the Do Not Call lists long used to block telemarketers. City residents choose the vendors from whom they don't want mail. This week, Los Gatos signed up. Santa Monica, Pasadena, Costa Mesa and Seattle also recently joined. Richmond next month decides whether it's in. *[EdNote: How nice. Now let's hear how the good citizens of these California cities intend to come up with the revenue needed to sustain the nation's universal mail delivery system. Oh...and while their at it...let's see what they have planned to eliminate all that nasty, bothersome advertising that appears in newspapers, magazines, and on television, cable, radio, and the internet. Idiots....!]*


 [The State Journal-Register](#): It is too bad Dick "I Never Saw a Tax I Didn't Like" Durbin wasn't around to save the Pony Express and the buggy makers. The postal system as it exists today is obsolete. There is less mail today and will be even less mail in the future. Durbin doesn't want the postal system to cut expenses and it has a limited ability to raise revenue. The postal system needs to cut capacity, close post offices and reduce service to five days a week or maybe even four. The postal system is an independent business that cannot continue to lose billions of dollars a year. The postal system does not have the ability to print more money when it spends too much like Durbin does with the federal government.


 [The Herald-Record](#): The future of the Mid-Hudson Processing and Distribution Center could rest in the hands of Congress. U.S. Rep. Maurice Hinchey is promising a bipartisan effort in Congress to save the center. There are several bills pending in the House and Senate aimed at resolving the Postal Service's financial problems that have strong bipartisan support, Morosi said.


 [The Telegram](#): The Newfoundland and Labrador branch of the Canadian Postmasters and Assistants Association (CPAA) is sounding the alarm about what it describes as an impending reduction in operating hours for rural post offices.

 [From the Federal Register: Postal Service PROPOSED RULES](#) Inspection Service Authority; Seizure and Forfeiture , 11437-11452 [2012-4396] [\[TEXT\]](#) [\[PDF\]](#)


 [Marketwire](#): Neopost has announced a partnership with Uniserv GmbH that enables customers to validate the addresses of additional countries on top of the USA and United Kingdom currently already offered when using Neopost solutions. While customers using the Neopost PrintMachine document output management solution will be the first to benefit, additional Neopost mail optimization and preparation products will also take advantage of the Uniserv data quality products and services. Validating addresses ensures mail is deliverable and keeps valuable financial resources from being wasted on returned mail. Undeliverable mail can impact business operations, efficiency and cash flow due to additional expenditures in re-sending mail as well as lost revenues from late bills and invoice payments.


 [The News Tribune](#): The office of the Washington Secretary of State says consolidation plans by the U.S. Postal Service are unlikely to hamper Washington elections. In Washington, ballots must be postmarked, rather than received, by election day. Spokesman Shane Hamlin says that because of that requirement, the postal cuts are unlikely to affect voting or vote tabulations.


 [Federal News Radio](#): The Postal Service's revamped five-year business plan, which is aimed at putting the troubled agency on firmer financial ground, is made up of a number of elements. Lawmakers have championed some of them, such as allowing USPS to move employees from the federal health-insurance plan to an independent program. But the Postal Service says the most effective way to stave off a further downward financial spiral is not through a piecemeal approach to its measures. Joe Corbett, the chief financial officer of the Postal Service, told In Depth with Francis Rose that without making all of the changes, USPS faces a projected loss of more than \$20 billion in annual losses in 2016. "So we need to make all the changes in our plan in order to return that \$20 billion projected to a modest profit," he added.

 [Associated Press](#): Ohio's elections chief is asking the postmaster general to reconsider plans to close nine mail processing sites in the state, saying he's concerned about the security of early mail-in ballots that would be handled

outside Ohio. Secretary of State Jon Husted says in a Friday letter to Postmaster General Patrick Donahue that some ballots would potentially leave Ohio twice once when they are mailed to voters and once when they're returned.

 **Reuters:** PostNL is the biggest single investor in freight and delivery firm TNT Express NV, subject of a 9 euros per share approach from United Parcel Service Inc. TNT on February 17 rejected UPS's offer, worth a total of 4.9 billion euros (\$6.5 billion), but the two are still in takeover talks and some investors are hoping UPS will sweeten its offer. PostNL, which owns 29.9 percent of TNT, has good reason to welcome a suitor. After it hived off TNT in May last year, TNT shares fell from a high of 10.2 euros to as low as 4.46 euros, forcing PostNL to write down the value of its stake by more than 700 million euros (\$932 million). The six-month lock-up period that prevented PostNL from selling its TNT stake ended in December and the Dutch postal group had already made clear it would sell the stake when "advantageous and appropriate. So when activist shareholders including U.S.-based Jana Partners and Canada's Alberta Investment Management Corp (AIMCO) started agitating for TNT to shake up its management, appoint new supervisory board members, improve its performance and consider a possible sale, PostNL also stood to gain.

 **Attention PostalOne!® Users: PostalOne!® Patch Release 29.0.4 Maintenance:** On Sunday, February 26, 2012 the PostalOne! application will deploy a software patch release installed in a rolling fashion with no outage to the PostalOne! application. This patch release (29.0.4) will occur during the scheduled maintenance window from 4:00 a.m. through 8:00 a.m. CST and will correct known issues in Release 29.0. No system availability or performance issues should be experienced by users. If you experience any issues please contact the help desk for assistance at 1-800-522-9085.

 **Multichannel Merchant:** We asked several merchants how a USPS move to 5-day mail delivery would impact their businesses, and here's what they had to say about 5-day mail delivery. Here's what they had to say.

- *Bryan Jones, president, CWD Kids* -- "I don't think the 5-day delivery will have much of an impact on us. Most of our packages are delivered via UPS so it's not something we are overly concerned about. In terms of the catalog, I don't think we will see a huge impact there either. Most of our books are mailed in a co-mail pool and more than 90% of the books hit in a two- or three-day window."
- *Jaimey Wilman, marketing manager for Action Bag* -- "Most of our mailings are co-mailed standard rate catalogs. With the shorter mail delivery time, will we probably need to push up our creative and print production schedules to meet our target in-home dates, but we envision that as a manageable shift."
- *Jane Glazer, president and CEO, QCI Direct* -- "If reducing the mail delivery service will mean no more raises in postal rates, then I am all for it. The government needs to get out of the mail delivery service and the mail delivery service needs to be run like a business. I do not see any logistical problem since we do not deliver next day or 2-day air."
- *Lynn Gore, vice president of marketing, Plow & Hearth* "In regards to catalog delivery, we are not concerned at all about moving to 5-day delivery. Our typical in-home dates are Mondays, so at most, even with early delivery we only see about 3% of delivery the weekend prior to an in-home. And even if the USPS is not delivering on time, I don't see the demand being negatively impacted. If anything, it would just be redistributed. In regards to merchandise, I think the 5-day delivery could impact sales where key gift-giving holidays fall on the calendar in such a way that the ordering window would be shortened by not having Saturday delivery. In that case, we would be forced to use other methods of delivery so that we could get orders to our customers as close to their need as possible."
- *Mike Wolfe, president and CEO, AeroGrow*-- "This issue – as are many budget issues – is more complicated than it might appear on the surface. As much as I hate to see service shrink from 6 days to 5 days, if that's what it takes for the USPS to stay solvent, then so be it. Business mailers need a health USPS. That said, my view is that I'm not too troubled by this as long as the average time to get shipments in home is not significantly affected. Not having our catalogs show up on a Saturday is not a big deal as far as I'm concerned."
- *Terri Alpert, founder and CEO, Stony Creek Brands* -- "It is critical to my companies as catalog mailers that the USPS be able to normalize its cost structure for today's realities. If significant costs are not removed from the system, prices will continue to spiral out of control. If that were to occur, it would likely mean the destruction of my company and the many jobs I have created for my employees and suppliers, many of whom are small businesses. And we would no longer be able to enhance the lives of our


customers. The inconvenience of losing one day a week of mail delivery is a small price to pay for the continuation of system on which we all depend."


- *Zach Zimet, senior director of marketing, Crutchfield* -- "I believe that a move to 5-day delivery would ultimately benefit our business by helping to stabilize the USPS. Our ongoing operations and marketing plans would be minimally affected by the change."


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*Editor's Note: Well, we've heard a lot these days about what Congress doesn't want the Postal Service to do, and a lot from labor about what it doesn't want Congress to let happen. About the only thing we haven't heard is what Congress and labor are WILLING to do to ensure that postal resources and costs get trimmed to match workload needs and get the nation's postal system on a positive, sound, self-sustaining track.*


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 [Crocketon Times](#): The U.S. Postal Service's announcement Thursday of its decision to "consolidate" five mail processing/distribution centers in the state, as part of its plan to shutter at least 223 across the nation to keep the agency solvent, is the latest move to undermine any power out-state Minnesota might have. The plan has drawn criticism from every area in the nation that it affects; no one wants to lose their center. It's also no secret that the independent government agency has been struggling to keep afloat amid an increasingly paperless climate that's had a big impact on the volume of mail streaming in and out of mailboxes. The USPS had to come up with a solution, and this whole consolidation plan was apparently the best it could do absent a funding boost from the government.

 [BusinessInsider](#): While the Postal Service continues to slash costs and service, people are starting to wonder whether the day will come when the agency will cease to exist. The USPS is just one more instance of an entity that needs to cut back. The Postal Service needs to change but is not going anywhere anytime soon.


 [Hellmail](#): Consumer Focus, the body charged with regulation of UK postal services, is urging the Royal Mail to up its game following a 'slip in results' and patchy performance, particularly in the London area. The call comes as Royal Mail's delivery performance results for Quarter 3 of 2011 (from September to early December) published today, show a decline in results. This follows Quarter 2 figures which showed improvement on previous poor results in March to early June.

 [McCook Daily Gazette](#): The Postal Service predicts it will lose a record \$14.1 billion this year and plans to cut 220,000 jobs, but critics point to a congressional mandate that the service prefund retirement and retiree health costs as a major part of the problem. The processing centers would have been closed sooner, but the USPS agreed to give Congress until May 15 to come up with other options. We're not optimistic that will happen.

 [MLive](#): U.S. Sen. Carl Levin has sent a letter to the postmaster general about plans to close the Jackson mail processing center and six others in Michigan. Levin, D-Michigan, is asking for details about the plans by the U.S. Postal Service.


 [The Motley Fool](#): The U.S. Postal Service is in crisis, which means hard decisions have to be made. So, if you could save the USPS by accepting slower service, and perhaps a few fewer days of getting mail delivered to your mailbox, would you do it? Or would you prefer to pay a few more cents for a postage stamp as a way to shore up the USPS's failing revenue stream? Opinions may differ on which solution is best. Lucky for us, we don't have to choose. The Post Office has already made its decision for us. So that's the USPS solution in a nutshell: Give the customers worse service, and charge them more for it.


*February 24, 2012*

 [Post & Parcel](#): New Zealand Post downplayed a surge in its profits as it released its latest financial results today, warning that it still has some way to go in facing up to declining mail volumes. The group more than doubled its net profit after tax in the six months up to the end of December, compared to the same period in 2010, from \$15.8m to



\$35.4m. But group chief executive Brian Roche said the performance was not a case of "turning the corner" after the \$35.6m loss seen in the year ended June 2011. He said that plans are now being finalised to address society's ongoing move towards digital communications.

 [Worcester Telegram & Gazette](#): U.S. Sen. Scott Brown today wrote a letter to the postmaster general demanding an explanation for proposals to close five mail processing and distribution centers in the state, including the one on Main Street. In the letter to Postmaster General Patrick R. Donahoe, the senator acknowledges the agency's dire financial problems and significant changes that may be required to put it on a viable fiscal path. But he said he is disappointed and concerned with the process used to make the decision announced yesterday to eliminate operations at plants in Shrewsbury, Waltham, Wareham and Lowell, and significantly reduce operations at the facility in North Reading. USPS also announced in December that the Springfield facility will close.


 In response to the release of the list of Area Mail Processing plant closures today, Rep. Darrell Issa, R-Calif., Chairman of the House Oversight and Government Reform Committee, Rep. Dennis Ross, R-Fla., Chairman of the OGR Subcommittee on the Federal Workforce, U.S. Postal Service, and Labor Policy, and Rep. Justin Amash, R-Mich., Vice-Chairman of the OGR Subcommittee on the Federal Workforce, U.S. Postal Service, and Labor Policy offered the following statement:


"Rightsizing is essential to solving the Postal Service's financial crisis. If USPS leadership actually goes through with a realignment, instead of caving to political pressure again, it will be an acknowledgment that no budget gimmick is going to restore the Postal Service to solvency. Keeping your head in the sand and hoping for a taxpayer bailout is simply irresponsible."




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



- **Reminder – PostalOne!® Patch Release 29.0.4 Maintenance** – On Sunday, February 26, 2012, during the scheduled maintenance window from 4 a.m. to 8 a.m. CST, the PostalOne!® application will deploy a software patch release in a rolling fashion with no planned outages. This patch release (29.0.4) will correct known issues in Release 29.0. Users should not experience system availability or performance issues during the deployment.
- **Reminder – FAST® Release 19.2 Deployment:** – Facility Access and Shipment Tracking (FAST®) Release 19.2 will be deployed to the Production environment on Sunday, February 26, 2012, from 4 a.m. to 8 a.m. CST. During the deployment, the FAST Online Application will remain available, but FAST Web Services messaging will not be available. All FAST Web Services messages received during the outage will be queued and processed after FAST Release 19.2 deployment is completed.


 [Reuters](#): The White House proposed on Thursday a "privacy bill of rights" that would give consumers more control over their data but relies heavily for now on voluntary commitments by Internet companies like Google Inc and Facebook. The plan comes amid growing consumer concern about their lack of control over the collection and trade in vast amounts of detailed information about their online activities and real-life identities. As part of the announcement, an online advertising coalition associated with Google Inc, Yahoo Inc and Microsoft Corp said its members agreed to placing "Do Not Track" technology in Web browsers, something the Federal Trade Commission has been advocating since 2010.


 [Reuters](#): The line between publisher and retailer is blurring as companies partner up to try and capture more of the e-commerce pie.


 [National Postal Mailhandlers Union](#): Last year, on September 15, 2011, the Postal Service issued a list of 252 mail processing facilities that it planned to study for possible closing and consolidation. The alleged justification for this process was to ensure that the Postal Service would be able to reduce the number of its mail processing facilities to the extent necessary to deal with a drop in mail volume. There certainly has been an unprecedented drop in mail volume during the past few years, and to the extent that the volume is not expected to return, some reduction in the number of mail processing facilities might be justified. But now the Postal Service has made the closing and consolidation of more than two hundred facilities part and parcel of its destructive plans to downsize the Postal


Service and threaten universal service by cutting service standards, reducing the days of residential delivery, and otherwise threatening the historic role of the Postal Service in America.

 <p><i>This is what we need.</i></p>	<p><i>Editor's Note: Forget Greece . . . It would seem these days that when it comes to things congressional and postal, Washington, DC is taking on the character of "Dysfunction Junction." Even the EU seems to address their most pressing problems more promisingly. If America's postal infrastructure is meant to serve as a platform for national economic development, then it must work!</i></p> <p><i>It must FACILITATE businesses' use of mail for communication and commerce, not IMPEDE it.</i></p>	 <p><i>This is what we're getting.</i></p>
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 [Tredyffrin-Easttown Patch](#): U.S. Rep. Patrick Meehan (R-PA7) is calling for an independent review of the United States Postal Service (USPS) decision to consolidate the Southeastern Pennsylvania Processing and Distribution Center. The center, located in Wayne, Tredyffrin Township is now slated to close later this spring. The mail that is currently handled in Wayne would be moved to the USPS processing and distribution facility near the Philadelphia Airport.

 [Washington Post](#): At least 223 mail processing facilities operated by the U.S. Postal Service could close or merge with nearby locations in the next year as part of a three-year, \$15 billion cost-cutting plan.

 [Transport Intelligence](#): The acquisition of TNT by UPS has thrown up what could evolve into a highly ironic situation. TNT has a wholly owned airline, TNT Airways SA, which is based at its European hub in Liege and which exists to provide TNT Express with an air freight network connecting all its locations throughout the world. However, a change of ownership could have serious implications for the airline. TNT Airways SA is incorporated in Belgium and qualifies as a Belgian and EU carrier. This brings a number of privileges that include the company's use of Liege Airport, routings and reciprocal landing rights and trade arrangements.

 For those inquiring minds that need to know, you can find the following on the Postal Service's website:

- [USPS Owned Facilities by State](#)
  - [USPS Leased Facilities by State](#)

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

- In keeping with that commitment, the results of the Area Mail Processing (AMP) facility studies announced last September are now available at <http://usps.com/ourfuturenetwork>. This website provides information on the decision made in each study, including whether each facility will be closed or consolidated, remain open, or have its study placed on hold. For those facilities facing a change, the name of the "gaining site"—the facility where mail processing operations will be relocated — also is included.
- This report updates the analysis in the 2009 white paper and, with the prospect that the Postal Service will continue to be affected by national budget issues, explains how budget enforcement mechanisms such as scoring work and how they can be addressed.
- The Association for Postal Commerce Board of Directors has approved the following resolution creating a new technology working group under its Postal Operations Committee.
- USPS posts info on Mobile Barcode Promo. New postal website. The honor of your postage is requested. USPS may resort of buyouts, early retirements in aggressive downsizing. USPS five-year plan: doomed to fail. Postal Service's future, opinion. Bill downsizing USPS is far from perfect. USPS is Escher's mystery new customer. TNT rejects \$6.4B bid from UPS for its Express unit. Premium forwarding service debuts on usps.com. Senator Carper requests travel docs from PRC Chair. New CPI figure. USPS files mobile


barcode promo with PRC. Carper: USPS can take page from auto industry in fixing finances. Voluntary do not track. Postal Service set to announce facility closures. Senator Casey requests independent review of USPS consolidation. Move to competitive street addressing for PO Boxes. PostCom's newest member.


- Updates from the Domestic Mail Manual.
- Updates from the Federal Register that affect the mailing industry.
- 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](#): Posted on the Courier, Express, and Postal Observer site is a dialogue with Congressman Dennis Ross via Twitter regarding the Postal Service's plant consolidation announcements.

 [Reuters](#): Dutch delivery firm TNT Express is not expecting U.S. rival FedEx to trump a 4.9 billion euros (\$6.5 billion) takeover bid from United Parcel Services (UPS.N), a source close to TNT said on Thursday. TNT last week rejected a 9 euros per share cash offer from UPS, the world's largest package delivery company, but is still in talks with its U.S. suitor.

**February 23, 2012**

 [Press Release](#): Cleanlist.ca (a division of Interact Direct) is pleased to announce its new proprietary API (application programming interface) to provide automated access to Canada Post's NCOA database. The first API clients went live in January, 2012.

 [paidContent.org](#): Two business information publishers are reporting improving fortunes after pushing their print media portfolio toward digital subscription operation.

 [Eye for Transport](#): The retail industry is obviously one of the biggest economic drivers, however the European sector is still struggling. The recent retail supply chain report we have just released clearly shows 44% of executives are not expecting any growth in their retail business this year. You can read about all the other concerns facing retail supply chain execs [here](#)

 **FLASH!!** Area Mail Processing study decision 2/23/12:

- [Facility list \(Facility list as an Excel spreadsheet\)](#)
- [Fact sheet](#)
- [Local media contacts](#)
- [Local news releases](#)
- [Background/FAQS](#)

***From the USPS to business mailers:***

Last September, the Postal Service proposed changes relating to service standards and network operations, and made a commitment to you, our PCC members and customers, to maintain open


communications on these proposed changes. In keeping with that commitment, the results of the Area Mail Processing (AMP) facility studies announced last September are now available at <http://usps.com/ourfuturenetwork>. This website provides information on the decision made in each study, including whether each facility will be closed or consolidated, remain open, or have its study placed on hold. For those facilities facing a change, the name of the “gaining site”— the facility where mail processing operations will be relocated — also is included.

Implementation of any consolidation or closure, however, is contingent upon the outcome of proposed revisions to existing service standards. In addition, no network changes will be implemented prior to May 15 of this year, in keeping with a moratorium on closing or consolidating postal facilities intended to give Congress and the Administration the opportunity to enact an alternative plan. **There will be no changes at this time to retail services and business mail acceptance located at any of the facilities involved in these studies.** See the following additional commitments:

- No immediate changes to business acceptance locations or hours of operation
- Deliberate timing of operational moves to limit customer impact
- Continuation of Destination Sectional Center Facility (DSCF) discounts at affected Bulk Mail Entry Units (BMEUs).
- Expanded Drop Shipment Appointments will be available
- Continual communications

Many of you have asked about the impact of these actions on BMEUs. Again, there will be no changes to BMEU hours or locations. Should a BMEU need to be relocated in the future, all customers would receive 120 days notice of the intended move, and any new location would be in close proximity to the original. In addition, DSCF discounts will continue to be available for mailings entered at BMEUs that remain in impacted facilities. Mailers will be encouraged to align their preparation and entry to the new network. However, they will continue to receive drop-ship entry discounts for mail entered at impacted facilities based on 3-digit ZIP Codes currently allowed. **There will be no major consolidations during the fall mailing season, nor during the election mailing period**, and Facility Access and Shipment Tracking (FAST) appointments will be expanded to support shifting volumes across the network. In the very near future, our District Managers across the country will be inviting commercial mailers to meetings where they will share more detailed information and answer site-specific questions.

 **[An Urgent Message from Senator Collins:](#)** "Senator Collins Blasts Postal Service Decision to Proceed with Hampden Plant Closure"

 **[Post & Parcel:](#)** Scandinavian postal operator PostNord warned today that it will need further restructuring and is contemplating a possible IPO as it faces up to radical changes in the mail market. The company that is 40% owned by the Danish state and 60% owned by the Swedish state reported financial results for 2011 today, highlighting improved profits for the year. But while net profits were up 19% to SEK 1.03bn (\$155m USD) thanks to cost-cutting efforts, PostNord's sales showed a 5% decline for the full year compared to 2010, to SEK 39.5bn (\$5.9bn USD). The final quarter of 2011 was characterised by increasing competition from Internet communications and a weak Danish economy.




The banner features a light blue background. In the center is the PostCom logo, which consists of a globe with the word "PostCom" in red text overlaid. On either side of the logo is an illustration of a person in a red suit sitting at a desk with a computer monitor and keyboard. Below the logo, the text "USPS 2012 Product Initiatives" is written in bold black font, followed by "Join us for a Webinar on March 20" in a smaller black font.

**USPS 2012 Product Initiatives**  
Join us for a Webinar on March 20

**REGISTER NOW**


Please join the Association for Postal Commerce for a free webinar on Tuesday, March 20 at 1:00 Eastern as **Tom Foti, Manager, Direct Mail and Periodicals** shares the **USPS 2012 Product/Pricing Initiatives**. Join the discussion to learn how you can take advantage of the concepts, develop your marketing strategies, and improve your overall success in the mail.”

 **Post & Parcel:** Russian Post said yesterday that preliminary financial results for 2011 show a 12% growth in its revenues compared to 2010, with operating income up 14% to 120bn rubles (\$4.04bn USD). The company said net profit was expected to range between 700m to 750m rubles (\$23.6m to \$25.4m USD), also up on the previous year. For the first time in the past few years, Russian Post was unable to achieve growth in its letter mail, it said, with the backdrop of a global downturn in mail volumes. However, growth in the company's competitive services was expected to be around 22%, mainly thanks to surging parcel volumes, which have risen 10% from 2010 to 2011, from 47.8m items to 52.3m items.




**OIG Tweet:** Have you been to our audit project pages lately? Looking for input on our newest project-USPS Accident Prevention Program.


 **CNET:** Google has agreed to build support for Do Not Track into Chrome so its Web browser can tell Web sites when users don't want advertisers scrutinizing their behavior.

 **Financial Times:** When United Parcel Service, the logistics company, went public in 1999, top executives gave one overarching rationale for the wrenching change to its conservative, operations-focused corporate culture – large-scale acquisitions. More than a decade later UPS is finally making its move, taking advantage of its greater scale, financial strength and access to capital markets with a €4.9bn offer for TNT Express, the recently spun-off Dutch package delivery company. The bid comes as the leading express parcel groups are enjoying moderate if uneven growth amid the patchy economic recovery and have moved to tap into international trade flows and build out their global networks through a combination of capital investments and acquisitions.




**Federal News Radio** As the Postal Service debuts new plans for cost-cutting, one of the key lawmakers involved in setting USPS on more sound financial footing said the agency should take a page from the auto industry. About three years ago, the auto industry was "going under," Carper said with some calling to let many of the car manufacturers go bankrupt. Instead, GM, Chrysler and Ford took a three-pronged approach: Retirement-age employees were incentivized to retire, some plants were closed and the carmakers unions' the United Auto Workers, took over managing employees' health-insurance plans. "And I think therein lies part of what we need to do with the Postal Service," Carper said. As with the car companies, USPS needs to "right-size the enterprise," he added. For example, provide incentives for those employees who are retirement-eligible and close some mail-processing centers, without impairing service. Carper said he's also urged the four major Postal unions, including the National Association of Letter Carriers, to take over managing Postal employees' health insurance.


 **Marketing Week:** The price of large letter DM is set to rise between 4 and 7% but the postal operator insists that most increases will be below 5% and some under 1%. Royal Mail has changed the conditions of its Advertising Mail service, which offers companies financial incentives to use DM, in a bid to placate direct marketers bristling over rising costs.


 **The Times of India:** The postal department has approached Goa government for delivery of driving licenses and registration certificate (RC) books through speed post. This, they believe, will ensure the fast delivery of vital documents at the door steps of the customers.

 News briefs:

- [USPS Notifies Employees of Consolidations: APWU Continues to Oppose Plan To Slash Service, Jobs, Network](#)
- [USPS recommends closing Tulsa postal center](#)
- [Postal Service to close Roanoke mail center.](#)
- [Sen. Collins: Hampden postal facility closing](#) "Senator Collins sent a letter to the Postmaster General, calling the consolidation "unacceptable and incredibly short-sighted" in regards to the harm it will cause Maine businesses and customers, as well as postal workers at the plant."
- [U.S. Postal Service accepts consolidation study](#)
- [Postal Service set to announce facility closures](#)
- [Reuters digs to determine what's really behind post office closings](#)
- [Delaware postal facility to remain open](#)
- [Easton mail processing could move to Wilmington](#)
- [200 postal workers' jobs may be affected by proposed closing](#)
- [Pocatello mail center will close](#)
- [Duluth postal workers told 60 jobs could leave Duluth by June](#)
- [Postal center phase-out to start in June, union leader says](#)
- [Local mail will go to Cleveland for processing](#)
- [Roanoke & Lynchburg Postal Service facilities close, jobs uncertain](#)
- [Postal Workers React to News of Springfield Mail Processing Center's Closure](#)
- [Postal Closure Fallout](#)
- [Postal Service Lay-offs Ahead](#)

 [Mercury News](#): If you want your mail-in ballot to count in this year's elections, don't procrastinate, California's top elections official warned Wednesday: The U.S. Postal Service's downsizing plan could wind up leaving last-minute voters unheard.

 [Bloomberg](#): Traders are betting TNT Express NV is the most likely takeover target in Europe to get a higher offer, even after spurning the industry's richest proposal from United Parcel Service Inc.

 [Zacks](#): United Parcel Service (UPS) is still negotiating the acquisition of TNT Express, the Dutch package delivery company. United Parcel's preliminary bid of € per share, or €4.9 billion (\$6.45 billion) in total, was rejected, but the company still hasn't given up hope on Europe's second-largest express delivery company. UPS made the proposal nine months after TNT spun off from PostNL and suffered persistent market share loss. If successful, the takeover will make UPS an undisputed leader in the emerging markets of Europe, China, Russia, Brazil and India.