




Association for Postal Commerce

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Postal News from April 2010:

April 30, 2010

 [PTINews](#) has reported that "The Himachal Pradesh postal circle would soon start a Photo Identity Card (PIC) scheme as valid proof of address of any individual in the hill state on the pattern of Tamil Nadu. "The HP Postal circle will soon start photo identity card scheme in the state which would be accepted as valid proof of address of any individual", the circle's Chief Post Master General Hunara Ahmed told reporters here today. The scheme has already been implemented in Tamil Nadu where PICs are accepted as valid proof of address of a person, she said."



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

- The Postal Service's Consumer Advocate told the PostCom Bulletin that "while the Postcom report [PostCom Bulletin 14-10] is fundamentally accurate, comparisons of current service performance to the same period last year (versus previous quarter) are generally recommended since it is more relevant by reflecting the seasonal factors and business cycles.
- The Washington Post had an interesting piece on one of its blogs. It was a report that Postmaster General Jack Potter was unhappy with the manner in which the Postal Regulatory Commission (PRC) had undertaken its task to review the Postal Service's proposal to move from six days of mail delivery to five. The Post said the PMG was "disappointed" and that he had argued that the PRC needed to move faster "to help the mail agency to avoid financial insolvency."
- According to the Courier, Express, and Postal Observer, "the attention that Smart Post received from analysts raised some additional questions that suggest that there may Postal Service revival strategies that are not the focus of the current discussions about future business models for the Postal Service."
- Dead Tree Edition noted that "[i]n what may be a troubling precedent for the U.S. Postal Service, The Washington Post is about to launch a paid subscription magazine that will bypass the USPS delivery network."
- In a recent post illustrating the importance of the Postal Service, the Courier, Express, and Postal Observer noted that FedEx Ground had 28% of its volume delivered by the Postal Service in FedEx's most recent quarter. The same phenomenon was examined by Robert W Baird investment analyst Jon Langenfeld in his most recent report on FedEx reported the same figures. He noted that FedEx's increased use of Postal Service delivery corresponded with improvements in the Postal Service delivery quality. The problem with this analysis is that the volumes that FedEx reports for its SmartPost product exceed the total Parcel Select volume reported in RPW. Here is the data for the Postal Service's most recent fiscal year and the closest period for FedEx.
- UPS (and the Teamsters) vs. Fedex: It's gettin' nasty. APWU snookers Committee into a hearing. International postal services resume. Congress continues interloping at the post. UPS Sees signs of


improvement. Postal Govs set to meet. Dead Tree says certain key areas may never get FSS. Be sure to catch the Quad video on YouTube. Fedex expands hybrid fleet.

- An update on postal rules and notices published in the Federal Register.
- An update on proceedings and dockets over at the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- Postal previews.

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 [Rag Content](#) wants to know "Is the Postal Service bluffing?"





[This Week In Postal](#).....Check it out!


 The [Courier, Express, and Postal Observer](#) has told its readers that in its "previous post, I noted that FedEx volumes for Smart Post exceeded the Postal Service's measured volumes for Parcel Select. This implied that FedEx Ground, UPS and other parcel consolidators used other postal products, most likely Standard Mail Parcels, to handle the parcels that they want delivered less than 1 pound. The attention that Smart Post received from analysts raised some additional questions that suggest that there may Postal Service revival strategies that are not the focus of the current discussions about future business models for the Postal Service."

 [The Mirror](#) has said: "So Royal Mail has finally struck a deal with posties which will end a period of bitter strikes. Or have they?"


 [Bloomberg](#) has reported that " The Teamsters Union is taking to the Internet in its campaign to require that drivers in FedEx Corp.'s Express unit be subject to the same labor laws as rival package delivery companies. The Teamsters site [fedexdriversarentpilots.com](#), introduced today, backs legislation to place the drivers under the National Labor Relations Act, which lets workers vote locally to join a union. The drivers are now classified with airline employees under the Railway Labor Act, which requires national elections."


 [AMEInfo](#) has reported that "A delegation from Yemen General Post Authority, headed by Mr. Saleh Abdulla Baswad, Deputy General Manager, signed a series of agreements with Emirates Post to enhance cooperation in areas of parcels, IFS money transfer, quality and automation."


 [The Guardian](#) has reported that " Royal Mail has laid out its plans for introducing door-to-door (D2D) into the workload. "Door-to-door" or "household" is the technical name for the unaddressed leaflets and flyers customers usually refer to as junk mail. D2D is not currently counted as part of the workload. Postal workers are paid separately for it and are expected to insert the material into their sorting frames in their own time. In practice what this generally means is that D2D items are "thrown off" into the frame on less busy days and then delivered along with the rest of the mail over the week. The usual practice is to leave the D2D in the frame until there is live mail to deliver with it."

 The [Namibia Economist](#) has reported that "NamPost and the two divisions of Deutsche Post DHL; DHL Express Namibia and DHL Global Mail last week launched the first International Mail Processing Centre (IMPC) in Africa. NamPost, a Namibian state owned postal company and Deutsche Post DHL, a worldwide renowned posting and

logistics company recently entered into a three- year partnership deal which have resulted in a mail centre that will serve as a reliable mail off-set point from Africa into the rest of the world."

 [Channel News Asia](#) has reported that " Singapore Post said its full year net profit rose 10.9 per cent on-year to S\$165 million. The bottomline was boosted by one-off items, including the benefits of the government's Jobs Credit Scheme and the impact from the reduction in corporate tax rate last year. Excluding these one-off items, underlying net profit would have risen 0.3 per cent. Meantime, revenue increased 9.2 per cent to S\$526 million. "


 The [Washington Post](#) has reported that "The U.S. Postal Service said Thursday it is disappointed with the schedule put forth by postal regulators to consider proposed changes to Saturday mail delivery, arguing the Postal Regulatory Commission needs to move faster to help the mail agency avoid financial insolvency. The commission plans to hold seven town halls across the country in May and June to gauge public reaction to the proposed cutbacks, it said Wednesday. But its review schedule stretches into October and the start of fiscal 2011, beyond the time Postmaster General John E. Potter hopes Congress will act to give the mail agency permission to end Saturday mail deliveries, close post offices and end the mandated prefunding of its retiree health benefits. Many lawmakers have said they won't vote on postal reforms until the PRC issues a nonbinding opinion on the cutbacks."


 And some in Congress aren't too happy with the PRC either. [Senator Tom Carper \(R-DE\)](#) has said the following:


"I'm pleased that the Postal Regulatory Commission will be taking steps in the coming weeks to thoroughly examine the Postal Service's proposal to eliminate Saturday delivery and hear the views of stakeholders on both sides of the issue. "I am concerned; however, that the proposed timeline that the Commission has laid out for the completion of its work might mean that a final advisory opinion from Commissioners might not come until October or later. As I pointed out at a hearing I chaired last week, this seems to me to be an awfully long period of time, especially when you consider the fact that the 9/11 Commission came out with its report just seven months after President Bush signed the bill that created it into law. With the Postal Service at risk of running out of cash and borrowing room sometime in 2011, it is important that postal management and Congress hear from the Commission sooner rather than later on the advisability of finding savings by eliminating Saturday delivery. My understanding is that the law and Commission regulations envision the Commission being able to complete work on proposals like the Postal Service's proposal on Saturday delivery within three months. I recognize that this is an issue that a lot of people have strong feelings about but I hope that the Commission can make its views known on a quicker timeline, particularly given the dire financial circumstances currently facing the Postal Service."




From the Federal Register: The [Postal Service](#) is proposing to revise the Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM) 114.2, 414.3, and 604.9, to state the conditions for Express Mail Next Day Delivery postage refunds when shipments are mailed each year during the time period of December 22 through December 25.


 [Hellmail](#) has reported that "New start-up myParcelDelivery.com is opening its doors in testing political and economic times. The Manchester start-up is brushing off the post recession blues by gritting its teeth and launching its innovative user friendly parcel delivery comparison website during the week of the UK 2010 General Election. Director David Grimes said "Having the confidence to launch myParcelDelivery.com during the recovery from a deep recession is a testimony to the strength of online sales in the UK. Businesses and personal users need easy and comparative access to discounted courier services."

 The [Wall Street Journal](#) has reported that "Banking and postal services minister Shizuka Kamei said Friday that the government has decided to finalize a plan to expand the financial products offered by the postal service, reversing the privatization of Japan Post Holdings Co. Kamei said at a press conference that the government aims to send the plan to the current legislative session for approval. The plan, which has been discussed for months under the Democratic Party of Japan-led government, has drawn criticism from Japan's financial industry as private banks and insurance companies fear the government's move could distort fair competition."

 The [Courier, Express, and Postal Observer](#) has asked: "Is there a problem with RPW Parcel Select volumes?"


April 29, 2010


 The [Memphis Commercial Appeal](#) has reported that "FedEx CEO Frederick W. Smith came to Capitol Hill with an all-electric FedEx truck on Wednesday and told a House energy and commerce subcommittee that electric, grid-enabled vehicles could help wean the U.S. from imported oil."


 [Trading Markets](#) has reported that "The UPS truck drivers' union launched a digital advertising campaign Wednesday, pushing for Congress to change FedEx Express' labor law coverage. The web-based campaign mocks FedEx's position with a 40-second video in which an actor impersonating company chairman and CEO Frederick W. Smith pretends a toy truck can fly and a purple-clad driver "lands" a truck for refueling."





A new report has been posted on the U.S. Postal Service Office of Inspector General website (<http://www.uspsoidg.gov/>). If you have additional questions concerning this report, please contact Wally Olihovik at 703.248.2201, or Agapi Doulaveris at 703.248.2286. **Function 4 Overtime Workhours (Report Number MS-AR-10-002)**. Postal Service officials effectively managed Function 4 workhours to reduce overtime costs. However, management should strengthen time and attendance procedures to reduce Function 4 unauthorized overtime costs. We estimated that in FYs 2008 and 2009, the Postal Service incurred unrecoverable unsupported questioned costs totaling \$79.6 million for unauthorized overtime workhours. For the latest information, follow us on Twitter at <http://twitter.com/OIGUSPS> and join us on Facebook at <http://www.facebook.com/oig.usps>.


 The [Business Desk](#) has reported that "businesses that use Royal Mail and Parcel Force services could be in for a significant cash wind fall, following changes to the VAT position on those services. Jason Croke, head of VAT services at the Wolverhampton and Birmingham offices of Haines Watts, said the change is great news for businesses that are VAT registered - but frustrating for organisations that are not."

 The [Standard Speaker](#) has reported that "Fraud comes in many forms, a U.S. postal inspector told about 85 people on Tuesday at the third annual law enforcement symposium at the Pottsville Club. "Since the economy's tanked, there have been even more frauds," Louis J. Dirienzo told the police officers, attorneys and others gathered for the symposium. "If it sounds too good to be true, it probably is."


 [Supply Chain Digital](#) has reported that "Swiss Post has purchased MCM Direct Limited, the mailing services provider based in the UK, for an undisclosed amount."


 [Hellmail](#) has reported that "During the recent EMS Cooperative's General Assembly held in Berne, Croatian post has received a special commendation for its Express Mail Services. Because of the continuous and very strong increase of on-time EMS deliveries, the EMS Cooperative has recognized the efforts Croatian post has put into modernizing and improving its international express deliveries. In just one year, from January 2009 to January 2010, the quality of deliveries has increased to a remarkable 90% of deliveries being delivered on time. The EMS Cooperative was founded in 1998 within the framework of the UPU with the goal of enhancing and developing worldwide postal express services. Today it has 140 members (out of 191 UPU member countries) and covers 90% of the world's EMS market."


 **From the Federal Register:** "The [Postal Regulatory Commission](#) is noticing a recently-filed Postal Service request to add two Global Expedited Package Services 2 contracts to the Competitive Product List. This notice addresses procedural steps associated with this filing. Comments are due: April 30, 2010."

 [The Examiner](#) has reported that "The decline in newspaper circulation is also affecting the financially troubled United States Postal Service. While many subscribers receive home delivery of their paper from someone serving a paper route, many subscribers also receive their paper through the mail. The Post Office collects a large amount of


money each year in postage for these periodicals. As the number of newspaper subscribers declines, so does the Post Office's revenue. This is just another example of how the increased use of the internet for communication, bill paying, and shopping has contributed to the rapid decrease in mail volume and postal revenues."


 [Business Week](#) has reported that "The Teamsters Union is taking to the Internet in its campaign to require that drivers in FedEx Corp.'s Express unit be subject to the same labor laws as rival package delivery companies. The Teamsters site fedexdriversarentpilots.com, introduced today, backs legislation to place the drivers under the National Labor Relations Act, which lets workers vote locally to join a union. The drivers are now classified with airline employees under the Railway Labor Act, which requires national elections."


 [Press Release](#): "With the reopening of international airports across Europe, full service for international mail has resumed, and the temporary restriction imposed by the U.S. Postal Service since April 21 on the acceptance of perishable items for delivery to the continent has been lifted. Effective immediately, the service guarantees for Express Mail International (EMI) and Global Express Guaranteed (GXG) to all destinations have resumed."


 The Subcommittee on the Federal Workforce, Postal Service, and the District of Columbia will be holding a hearing on Wednesday, May 12, 2010 at 2:00 p.m. in Room 2154 Rayburn House Office Building, entitled "The Price is Right, or is it? An Examination of USPS Workshare Discounts and Products that Do Not Cover Their Costs."


April 28, 2010

 [Financial Advice](#) has reported that "In a surprise development it has been announced that the Post Office and the Communication Workers Union have finally come to an agreement regarding pay and working conditions for the future. Members of the union accepted the offer on a basis of 2 to 1 which will see a three-year wage rise of 6.9%, increased job security and above all an improvement in industrial relations between the two parties."

 [GoMoNews](#) has reported that "A British firm, Delivery Management, has hooked up with a German mobile marketing company, Celloon, to demonstrate how QR codes can be hugely beneficial to the direct mail industry. Delivery Management's md, Richard Wishart, was present at the recent Mail and Express Delivery Show (MEDS) in London. Significantly, Wishart has been advising the United Nations specialist agency for posts (The Universal Postal Union) on RFID strategy. Now he has turned his attention to QR codes as a means of providing the Direct Mail industry with a 'Mail Out' and 'URL Back' solution."

 From [CanadaNews Wire](#): "Postal sector workers are calling for action following a new report that puts the spotlight on increasing injuries in federal workplaces, particularly workplaces run by Canada Post."

 According to [Veterans Today](#), "On Thursday, April 22, President Obama went to Cooper Union College in New York City and lectured the financial community on the need to curb its corrupt business practices. He pointed out that their business model led directly to this nation's financial crisis, and brought severe hardship upon millions of American people. But ironically, if one applies his words to another audience, they also serve to condemn the business practices of his very own United States Postal Service."

 The Postal Regulatory Commission has issued its [procedural schedule for Docket No. N2010-1](#).

- Close of initial discovery on the Postal Service's direct case June 9, 2010
- Notice of intent to conduct oral cross-examination July 8, 2010
- Hearing on the Postal Service's direct case (9:30 AM in the Commission's hearing room) July 12-23, 2010
- Close of discovery for developing intervenors direct case July 14, 2010
- Filing of rebuttal testimony August 2, 2010
- Conclusion of discovery directed towards rebuttal testimony August 18, 2010
- Notice of intent to conduct oral cross-examination (rebuttal) August 31, 2010


- Hearing to enter rebuttal testimony into the record September 7-10, 2010 (9:30 AM in the Commission's hearing room)
- Notice of intent to file surrebuttal testimony September 10, 2010
- Filing of surrebuttal testimony (if requested) September 17, 2010
- Hearing to enter surrebuttal testimony into the record September 24, 2010 (9:30 AM in the Commission's hearing room,if necessary)


Filing of briefs


- If no surrebuttal testimony filed September 24, 2010
- If surrebuttal testimony filed October 5, 2010


Filing of reply briefs


- If no surrebuttal testimony filed October 1, 2010
- If surrebuttal testimony filed October 12, 2010


 The [Providence Journal](#) has reported that "Northrop Grumman Corporation reported that first quarter 2010 earnings from continuing operations increased to \$462 million, or \$1.51 per diluted share, from \$366 million, or \$1.10 per diluted share, in the first quarter of 2009. Electronic Systems first quarter 2010 sales increased 5 percent due to higher sales for targeting systems programs, higher intercompany sales, and higher volume for navigation systems programs. Electronic Systems first quarter 2010 operating income was slightly lower than the prior year period, and as a percent of sales was 12 percent compared with 12.8 percent. The change in margin rate reflects **lower performance for postal automation programs** and lower royalty income than in the prior year period, as well as a provision for an announced workforce reduction, which more than offset improved performance in combat avionics and land and self-protection systems.


 From [PR-USA.net](#): "Canada Post Corporation tabled its 2009 annual report today in Parliament, reporting a profit for the 15th consecutive year. The Corporation recorded consolidated net income of \$281 million on revenue of \$7.3 billion, and reported an operating margin of 4.9 per cent. The profit in 2009 does not truly reflect the underlying weakness in Canada Post Corporation's operating performance and the financial challenges ahead. The company would have reported a loss in 2009 if it were not for stringent cost containment measures that resulted in a reduction of \$540 million of planned costs by the Canada Post segment, as well as an unplanned non-cash reduction of \$271 million in employee future benefits expense. In 2009 Canada Post, like many other businesses, faced one of the worst economic climates in decades. Volumes and revenues in all three core Canada Post segment lines of business, as well as its largest subsidiary, Purolator Courier, fell sharply. Consolidated revenue declined by \$421 million from 2008 levels."


 [Business Week](#) has reported that "Seat Pagine Gialle SpA, Italy's biggest phone directory publisher, forecast its online business will become as big as the print operations within the next two to three years. Seat occupies a "key player position for the strategic use of the Web in Italy," the Turin, Italy-based company said in a stock-exchange statement today."


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

 Despite a 8% drop in standard letters and registered mail volume Belgian LaPoste was able to stabilise the turnover in its mail division last year.

 Germany's Association of Courier, Express and Postal Service Providers (Bd-KEP) accused Deutsche Post of 'sweeping competition off the market' by its discounts which will take effect from July on. From the association's point of view, private providers 'won't be able to cope' with the new discounts related to the introduction of VAT from July 1 on.

 China Post Group's growth rate in the traditional postal business further decreased in March.

 Quickmail, Switzerland's first private mail operator gave a positive summary of its first six months. Quickmail 'has established itself as an attractive alternative to Swiss Post on the market', according to its own estimation. On Monday this week the company announced that it has reached a 7.6% coverage of households in Switzerland.

 German mail service provider Xanto filed for bankruptcy due to impending insolvency last Thursday. The company confirmed that Xanto Mail GmbH in Düsseldorf, Xanto Logistics GmbH

and Xanto GmbH & Co. KG in Munich are affected. 'This is very bitter', said managing director Christian Holland-Moritz to business journal »ONEtoONE«(26.04). He gave the loss of large scale customer Vodafone, which accounted for 70% of Xanto's revenue, as reason for the bankruptcy. Vodafone will cooperate with Deutsche Post in the future.

🇵🇹 Postal services in Portugal will be affected by strikes this week and next week. The union SNTCT announced that the post's largest hubs will be disrupted during this period by sequential general strikes for one or two days. The post announced to spare no effort to minimise the strike's effects.

🇨🇭 The Swiss association of private postal service providers, KEP&Mail, will become a member of economie suisse, the umbrella organisation of Switzerland's economy.

🇦🇺 Ahmed Fahour, Australia Post's new CEO (CEP-News 01/10) has presented the company's new five-year plan last week.

🇦🇹 Austrian regulatory authority RTR prohibited the post's intention to close down 16 post offices.

🇳🇿 New Zealand Post's postmen will have to deliver (lightweight) parcels in the future too. NZ Post is currently trialing combined delivery in several cities in the country. The deliverers will be given trailers for their bikes and some of the bikes will become battery powered.

🇩🇪 On April 28 DHL will launch its new worldwide integrated advertising concept 'Excellence. Simply Delivered'.

🇦🇹 'Austrian Post is not suited for the stock market'. This statement of Alfred Stratil, chief of the Federal Ministry for Transport, Innovation and Technology's department for Post and Telecommunications, does not leave much room for interpretations.

🇩🇪 Deutsche Post intends to increase DHL's return on sales significantly.

🇩🇪 Deutsche Post will significantly expand its network across Germany this year. Jürgen Gerdes, member of the board of management, announced that the number of points of sales will be increased by 4,000 to around 21,000.


🇨🇭 Starting May this year, SuisseID, the electronic proof of identity in Switzerland, will be available.





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 [Malay Mail](#) has reported that "Pos Malaysia Bhd has been appointed Customs Release Agent to offer convenience service for customers to collect their overseas parcels and mail items that are subjected to tax by the Royal Malaysian Customs Department. As the appointed agent, Pos Malaysia will help customers manage matters related to obtaining a release from Customs Duty Tax for their overseas parcels or mail items, said Pos Malaysia in a statement. All items can be collected by customers at over 700 Pos Malaysia outlets and 50 poslaju centres nationwide."


🇺🇸 The [Fairbanks Daily News-Miner](#) has told its readers that "Federal Express may be a wonderful delivery service in the Lower 48. But in rural Alaska, it is a nightmare. The advice I got from one postal official was: " Call the company shipping the merchandise and tell them they are paying for service they are not receiving." What a Healy resident told Federal Express last week was: "You are lying to people." Federal Express is intended to be speedy delivery, tracked and documented. But what they do in Alaska is report it as delivered as soon as it arrives in Anchorage – even if that is not the final destination. Then the package either sits there for several days or eventually gets put in a pile with the U.S. mail and shipped to Fairbanks and then makes its way by truck to the Denali area. Delivery time from Anchorage to Fairbanks is often about five to seven days. Meanwhile, the company shipping the item receives confirmation that the buyer has the purchased item in hand. And that is just not true."


 [NBC Bay Area](#) has reported that "Netflix is changing the way we watch movies. And the way we get them. For the first time, the company says more people streamed movies than got them through the mail. That's not only changing our behavior, it's helping the firm's bottom line. Netflix still gets our subscriber fees, but if it doesn't have to pay postage fees, it makes more money."


 On the other hand, [Morningstar](#) has reported that "Netflix's distribution advantage will fade as online movie delivery gradually replaces DVDs. Because barriers to entry are much lower in digital delivery, we anticipate more competition, limiting subscriber growth and pricing power for Netflix. We expect content costs to rise for Netflix, as redistribution laws are less favorable for digital content than for physical media. We think the evolution to online movie delivery will negatively impact existing media retailers, be neutral to the film studios, and that the cable companies and Apple are best-positioned to benefit."


 The [National League of Postmasters](#) has reported that "Senator Akaka (D HI) and Congressman Gerald Connolly (D VA) have both introduced a bill that would add language to title 39 that puts into law that postmasters and other supervisory personnel shall have a reasonable and sustainable workload and schedule. These bills both address the unreasonable overload that the Postal Service has placed on managers over the last several years. The bills would also clarify certain provisions concerning consultation and changes or terminations in certain proposals.- The League, along with Napus and Naps, supports these bills."


 [RTE](#) has reported that "A hunt is under way in Co Cavan for a gang that tried to rob an An Post van on the main N3 this morning near Belturbet. The van did not contain any money. Another postal van had passed through the area a short while before the raid, which had been carrying social welfare cheques."


 The [Globe and Mail](#) has noted that "Domtar Corp. is getting frustrated with those "think before you print" messages at the bottom of so many e-mails. Now the paper giant is planning a North American ad campaign to urge computer users to hit the print button – often. The campaign – called Put It On Paper – is aimed at countering what Domtar's top executive says are the more "simplistic messages" about alleged forest destruction, which induce consumer guilt over the use of paper to print out e-mails and web pages. John Williams, the president and chief executive officer of the Montreal-based fine-paper and pulp company, says the "think before you print" messages are "just bull" and he wants people to feel better about using paper responsibly."

 ***From the Federal Register:*** The agenda for the May USPS Board of Governors meeting has been published in the [Federal Register](#).


 [Hellmail](#) has reported that "Postcode Anywhere's Sales and Marketing Director Phil Rothwell said: "Intelligent and efficient use of address data is essential for this new breed of business start-up. They might use the power of the internet to set up shop and grow at unprecedented rates, but will often rely on the good old postal service to deliver physical goods to the consumer."


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


 [UPS](#) has activated two ultra-modern air hubs on opposite sides of the globe, expanding the infrastructure of the world's most extensive air freight and package network. The two air hubs - a brand new intra-Asia facility located in Shenzhen, China, and a significantly expanded UPS Worldportsm global air hub in Louisville, Ky. - are highly automated facilities that ensure UPS has the technology and capacity to provide superior logistics and delivery services to its customers.


 From [Marketwire](#): "Canada Post Corporation tabled its 2009 annual report today in Parliament, reporting a profit for the 15th consecutive year. The Corporation recorded consolidated net income of \$281 million on revenue of \$7.3


billion, and reported an operating margin of 4.9 per cent. The profit in 2009 does not truly reflect the underlying weakness in Canada Post Corporation's operating performance and the financial challenges ahead. The company would have reported a loss in 2009 if it were not for stringent cost containment measures that resulted in a reduction of \$540 million of planned costs by the Canada Post segment, as well as an unplanned non-cash reduction of \$271 million in employee future benefits expense."

 [Fijilive](#) has reported that "Post Fiji Limited will be reformed in order to improve its financial performance and service delivery, Cabinet has announced. Attorney-General and Minister for Public Enterprises, Aiyaz Sayed-Khaiyum said that Post Fiji's financial performance had declined in the past four years and government as the 100 percent shareholder is not earning the expected returns."


 From [PRNewswire](#): "IWCO Direct, a leading privately held national provider of direct marketing solutions, has signed a letter of intent to sell its Fort Worth, Texas, operations to Business Ink, Company of Austin, Texas. IWCO Direct's Fort Worth facility was part of its acquisition of Transcontinental Direct's U.S. operations earlier this month. The proposed transaction, which is targeted to close by mid-May, is subject to satisfactory completion of due diligence by Business Ink; terms are not disclosed."


 [The Hill](#) has reported that "The U.S. Postal Service has received a complaint about the so-called Republican National Committee "census" mailer and is considering an investigation." See also [TPM](#)

 The [San Jose Mercury News](#) has noted that the Postal Service's "broken business model stands in stark contrast to profitable delivery companies such as FedEx, which is on track to make nearly \$1 billion in profit this year, and UPS, which is forecasting a \$2 billion annual profit. What if FedEx and UPS took over all handling and delivery of parcels or anything that didn't fit into a mailbox? Wouldn't that free up some bodies (and money) to provide mail delivery six days a week and allow branches to be staffed with more than one clerk trying to serve long lines? A private-public partnership saved our banking and auto industries. Maybe the same can be done for the neighborhood post office. To not explore this and continue to cut services and raise rates does not serve the public's interest."

 The [Associated Press](#) has reported that "The improving economy at home and abroad helped boost shipping giant UPS' first-quarter profit and its prospects for the rest of the year. While a growing number of customers are choosing less-expensive options when sending packages - a reflection of tight budgets at businesses - UPS' overall volumes are increasing and it is seeing better numbers across its other segments as well."


April 27, 2010


 According to [iStockAnalyst](#), "As consumers become more confident and trusting of the internet and penetration rises throughout Western Europe and the emerging markets, e-commerce is gaining a higher share of retail sales. Driven by consumer demand for convenience, accessibility and lower prices, the increased use of the online channel also has direct consequences for the express industry."


 The Postal Regulatory Commission (PRC) has set its schedule for field hearings on the Postal Service's proposal to move from six to five days of mail delivery:

- Las Vegas May 10
- Sacramento May 12
- Dallas May 17
- Memphis May 19
- Chicago June 21
- Rapid City, SD June 23
- Buffalo, NY June 28


If any PostCom member company wants to take advantage of the PRC's invitation for interested mailers or mail service companies to testify at any of these field hearings, please be sure to contact [PostCom](#).

 [Forbes](#) has reported that "The union representing British postal workers says it has agreed to a deal with Royal Mail, ending months of turmoil which saw thousands of workers strike over modernization plans. The Communication Workers Union said Tuesday that its members had overwhelmingly agreed to the three-year deal, which gives them improvements in wages and guarantees that 75 percent of staff will be full-time employees." See also [The Telegraph](#) and [Business Week](#).

 *The Economist* has told some of its Washington-area subscribers that for the next three months they would be receiving the magazine by a hand-delivery service. Why? because "it has been widely publicized that the US Postal Service is considering eliminating Saturday mail delivery." *The Economist* told its readers that it wanted to hear from them as to whether private mail delivery proved sufficient to their needs. Could be a sign of the coming times.


 Postal Regulatory Commission has held a pre-hearing conference on the Postal Service's proposal to move from six-days to five-days for mail delivery. The members of the Commission have assured their impartiality and willingness to handle the Postal Service's request expeditiously.


- Legal counsel for the American Postal Workers Union said that he believed it would take the PRC at least six months to handle this docket. He said that past experience would seem to suggest that the Postal Service would drag its feet in responding to participant discovery requests.
- This sentiment was supported by the counsel for the National Association of Letter Carriers.
- Counsel for the Parcel Shippers Association noted that those who oppose the proposal would like the proceeding to go on interminably. This, however, would not reflect what Congress expects and wants to see from the Commission.
- The Postal Service's assertion that it was facing a \$238 billion loss over the next ten years set off some sparks.
- The Commission has scheduled seven field hearings to solicit views from various parties around the country. Transcripts from the field hearings will be made available.
- Next step: The PRC must issue a procedural schedule. One is expected shortly.

 The Board of Governors of the U.S. Postal Service will meet in open session May 6 at Postal Service headquarters, 475 L'Enfant Plaza, SW. The public is welcome to observe the meeting beginning at 8:30 a.m., in the Ben Franklin Room on the 11th floor. The Board is expected to discuss the following items:


Thursday, May 6, 8:30 a.m.


- Minutes of previous meetings
- Remarks of the Chairman of the Board
- Remarks of the Postmaster General and CEO
- Committee reports and committee charter amendments
- Quarterly report on financial performance
- Inspector General report on Postal Service share of Civil Service Retirement System pension responsibility
- Quarterly report on service performance
- Tentative agenda for the June 21-23 meeting in Louisville, KY

 [International Freighting Weekly](#) has reported that "The sale of DHL France's parcels unit to French financial holding company Caravelle is expected to be completed by the end of next week, with the change of ownership taking place in June."


 [DeadTree Edition](#) has published a "map from a recent Postal Service presentation illustrates that Phase I of the Flats Sequencing System is heavily concentrated on the East Coast, especially the Northeast. (Click on the map to magnify it.) More than half of the 100 machines are slated for Eastern Seaboard states, and more than one third are in the megalopolis that runs from Boston to Washington, DC. The Postal Service is putting the machines into major urban areas, close to the kind of carrier routes that tend to get the highest volumes of catalogs, magazines, and other

flat mail. To avoid construction costs, postal officials are also mostly limiting Phase I to buildings having enough excess space to hold the football-field-sized machines."

 From [PRWeb](#): "The United States Postal Service (USPS) recently issued the contract award to the National Veterans Outreach Program (NVOP) of the American GI Forum for the tray production. The NVOP operate the VETS facility which is a corrugate box manufacturing plant located in San Antonio, Texas. USPS contracted the NVOP to create and implement production of One Million Two hundred Eighty-Six thousand (1,296,000) corrugate mail tray units. Once the corrugated trays are manufactured and assembled, the units will be shipped to USPS facilities in Chicago, Philadelphia, Des Moines, Milwaukee, Minneapolis, Jacksonville and Dallas. The Veterans Enterprises of Texas (VETS) is a non-profit company, of the NVOP, who employs the disabled veteran including the veteran in transition from homelessness. All of the homelessness veterans employed at the VETS box manufacturing plant are residents of the NVOP's Residential Center for the Veterans. Also, the assembly work at the VETS plant provides a 75% direct labor force of disabled veterans."


 The [Associated Press](#) wants you to know that "the post office is facing billions of dollars in losses and is considering a variety of ways to cut costs. Both the commission that oversees the U.S. Postal Service and the post office's inspector general are seeking comment and suggestions from the public. The post office has reduced its workforce by about 200,000 over the last few years and more cuts may be possible. Other cost-savings being considered include eliminating Saturday mail delivery, generating revenue from new products, raising rates, closing offices and restructuring mail processing centers. People interested in commenting can do so at:

- Postal Regulatory Commission: <http://www.prc.gov>
- Postal Inspector General: <http://blog.uspsig.gov/>


 Postal news from [Hellmail](#):

- [Portugese Postal Strike Looks Set To Intensify](#)
- [Italian Digital Mail Takes Historic Step Forward](#)
- [Capgemini To Overhaul Technology Systems For Correos](#)

 **From the Federal Register:** Postal Regulatory Commission: [Obtaining Information from Postal Service](#).

 The [Poughkeepsie Journal](#) has reported that "With Saturday mail deliveries on the chopping block, some local U.S. postal workers are urging that the plan be halted."

April 26, 2010


 [Hellmail](#) has reported that "The Portugese postal service said today that the Portugese population had been largely unaffected by strike action after postal workers began what is expected to be five days of industrial action in protest against a reduction in their salaries following alterations to work timetables."





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


• **The Great Debate.** At recent Congressional hearings on the Postal Service, several strategies were reviewed for helping solve the Postal Service's financial problems, including ending Saturday delivery and generating revenue through new products. Which strategies do you think will be most useful to the Postal Service? You can visit Office of Inspector General's public website at: www.uspsig.gov. For the latest information, follow us on Twitter at


<http://twitter.com/OIGUSPS> and join us on Facebook at <http://www.facebook.com/oig.usps>. If you have additional questions, please contact Communication and Work Life Director Agapi Doulaveris at 703.248.2286.


 If you want to see a truly excellent use of electronic media to promote print, check out the [Quad/Graphics video on YouTube](#). Fantastic!!


 According to [Publishing Executive](#), "print is not dead, but most of the magazine industry will be digital in 2020."


 The [Financial Times](#) has reported that "Bank of Ireland is planning to establish a fully fledged UK business that would have its own board and be regulated by the Financial Services Authority, as a way of strengthening confidence in its brand. The bank has operated in the UK for more than 30 years and has held a joint venture with the Post Office since 2004."


 [The Baltic Course](#) has reported that "Estonian company O Smartpost, whose system for delivering goods and postal packages has been used by dozens of thousands of Estonian residents, is now offering the option of sending packages to Europe as well, LETA/Postimees writes."


 [Post & Parcel](#) has reported that "WH Smith boss Kate Swann has cooled speculation suggesting she will take up the chief executive position at Royal Mail."

 [Post & Parcel](#) has reported that "Deutsche Post will expand its network across Germany this year and increase its availability to private customers by adding thousands of contact points. The plan was announced in Berlin by Jürgen Gerdes, member of the Board of Deutsche Post DHL, who oversees the Group's mail and parcel business and its retail outlets."


 The [New York Times](#) has reported that "Despite a record-setting \$6.3 billion fourth quarter, online advertising revenue declined 3.4 percent for the year from 2008, the first year-over-year falloff since 2002. Although online advertising for 2009 declined slightly from 2008, it came in at \$22.66 billion, the advertising bureau said. Meanwhile, ad sales at major magazines plunged to \$19.5 billion, according to Publishers Information Bureau data."

 According to the [Wall Street Journal](#), "if you can't beat 'em, have Congress hobble 'em. That's the motto of some in corporate America, and Exhibit A might be United Parcel Service's campaign to get Washington to impose its labor woes on rival Federal Express. This would be one more union bailout at the expense of business competition and economic efficiency."


 The [Times-Tribune](#) has reported that "Paul Esposito Jr. is probably going to have to find another way to get his famous Victoria's Candies mailed all over the world. Unless Congress mandates Saturday mail delivery continues, or a postal commission gives the idea a thumbs down, Saturday United States Postal Service delivery will cease Oct. 1. That extra day of mail not being delivered is going to impact Victoria's of Hazleton as well as other businesses throughout Northeast Pennsylvania that rely on the Postal Service."


 **At the Postal Regulatory Commission: Notice:** Live audio broadcast of a public Prehearing Conference in Docket No. N2010-1 will air at 10:00 a.m. on Tuesday, April 27. Links to the audio will be posted here approximately 10 minutes prior to the broadcast.


April 25, 2010

 [Postal Technology](#) has reported that "FedEx Corp has announced the addition of 92 hybrid-electric trucks to its global delivery fleet. The trucks will be placed into service in the US and increase the company fleet of hybrid-electric delivery vehicles by more than 50 percent, from 172 to 264. FedEx is currently operating hybrid-electric vehicles in Italy and France, and recently enrolled ten Modex electric commercial vehicles for use in the UK. FedEx also operates 38 liquefied petroleum gas Mercedes Sprinter vehicles in the greater London area. The FedEx hybrid-electric fleet has logged more than four million miles of revenue service since being


introduced in 2004, reducing fuel use by 150,000 gallons and carbon dioxide emissions by 1,521 metric tons. This is equivalent to removing 279 cars from the road annually."


 According to [Livingston Daily](#), "While most people know the city they write on their return-address labels, I am surprised at the number of people who do not know in what township they reside, and I have come to realize it is not entirely their fault. There is a governmental agency that has spent decades confusing the residents of Livingston County by blurring and erasing township lines. Yes, the blame lies on the shoulders of the U.S. Postal Service."

 From [OfficialWire](#): "It is easy to find a phone number of a place, person or even company if someone has their name or even their postal address. It is easily accessible through the yellow pages or the local phone directory. Well, not anymore because you can get a reverse cell phone lookup for an address via the internet. Along with the full postal address; users are also given their full name, other telephone numbers and even their occupation. Write down the suspicious number and run a search on <http://www.getanyprivateinfo.com> reverse cell phone number service and the answer within a few seconds. Cell Phone reverse lookup searches are programmed to give full and accurate results and they have helped thousands of people to find the address, background information, criminal history, and more in the very detailed results." *[Sheesh! And people worry about postal as a source of identity theft.]*

 [Hellmail](#) has reported that "Czech Post reports that since it introduced an electronic mail system (the 'Data Box') in Czechoslovakia less than six months ago, users have already sent some 10 million data messages saving 200 million Czech crowns. The 10 millionth message was sent last Wednesday."

April 24, 2010

 [DM News](#) has reported that "Sen. Tom Corburn (R-OK), a frequent critic of the US Postal Service, emerged as an unlikely champion of the agency's 10-year plan to revise its business model at an April 22 Senate subcommittee hearing. The conservative Oklahoma Republican voiced support for moving to five-day-a-week delivery and reining in labor costs. Coburn also pressed his colleagues to include a requirement that the arbitrator in any collective bargaining impasse must consider the USPS' overall financial health in any reform legislation. "It's not realistic to have labor negotiations that do not consider the financial health and long-term viability of the organization," he said. Sen. Tom Carper (D-DE), the chairman of the Senate Subcommittee on Federal Financial Management, Government Information, Federal Services and International Security, also voiced support for this modification to the collective bargaining process."

 The [BBC](#) has reported that "Postal workers at Liverpool's new main delivery centre have returned to work after a 24-hour unofficial strike. About 90 staff, who recently moved from Copperas Hill to Brunswick Dock, walked out over claims Royal Mail management had broken promises. They accused the company of withdrawing redundancy offers and said parts of the new depot were too cramped. But after talks between managers and the Communication and Workers Union (CWU), staff returned on Saturday."

 ***From the Federal Register:***

POSTAL REGULATORY COMMISSION

Meetings: Time and Date: Wednesday, May 5, 2010 at 11 a.m.

Place: Commission hearing room, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001.

Status: Parts of this meeting will be open to the public. The rest of the meeting will be closed to the public. The public session will be podcast.

Matters To Be Considered:


Portions Open to the Public:

1. Review of postal-related CONGRESSIONAL activity.
2. Report on international activities.
3. Review of active cases.

4. Review of anticipated rulemakings.
 5. Report on public communications regarding the Nature of Service Inquiry (Docket No. N2010-1).
 6. Report on status of a special study, pursuant to section 802(c) of the Postal Accountability and Enhancement Act (PAEA) of 2006, addressing the Postal Service's estimated share of a certain Civil Service Retirement System-related retirement benefit liability.
 7. Report on recent activities of Joint Periodicals Task Force and status of anticipated report to the Congress pursuant to section 708 of the PAEA.
- Portions Closed to the Public:
8. Discussion of pending litigation.
 9. Discussion of confidential commercial information relative to Commission contracts.
 10. Discussion of confidential personnel issues involving performance management, pay and benefits.

Contact Person For Further Information: Stephen L. Sharfman, General Counsel, Postal Regulatory Commission, at 202-789-6820 or stephen.sharfman@prc.gov (for questions concerning the agenda) and Shoshana M. Grove at 202-789-6842 or shoshana.grove@prc.gov (for questions concerning podcasting).

April 23, 2010

 The [Federal Times](#) has reported that "After testifying before a House committee last week, Postmaster General John Potter reiterated his plea before a Senate panel Thursday that the U.S. Postal Service needs to transition to five-day delivery. And Postal Service Inspector General David Williams stressed the importance of recouping the \$75 billion they say USPS overpaid into a retirement fund."



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

- In an article for the Federal Times, USPS Inspector General David Williams wrote: "Newspapers across the country are describing the U.S. Postal Service's financial difficulties and how service cuts may be needed. The alarm is not exaggerated. The Postal Service expects to lose \$11 billion this year before its aggressive plan for cost reductions. Yet in the discussion of the Postal Service's financial problems, a huge contributing factor is often ignored."
- The Postmaster General has testified on the challenges facing the U.S. Postal Service and what may be needed from Congress to ensure the fiscal viability of the nation's postal system.
- The USPS OIG told a Senate postal oversight panel that "that "the fiscal condition [the Postal Service is facing] is serious and the Postal Service has an ongoing aggressive plan to address it." "A concern of my office," he noted, "is that the plan calls for huge simultaneous actions across a very broad and fast moving front. These will produce significant project management challenges, as well as, unintended consequences."
- Phillip Herr, Director, Physical Infrastructure Issues, Government Accountability Office (GAO) told the Senate Committee on Homeland Security and Governmental Affairs postal subcommittee that the U.S. Postal Service (USPS) "is facing a major financial crisis. Mail volumes, the primary source of USPS revenues, declined by 36 billion pieces (about 17 percent) over the last three fiscal years (2007 through 2009)". The "USPS's financial problems," he said, "are likely to continue unless fundamental changes are made to address challenges in its current business model by better aligning costs with revenues." He noted that "GAO recently reported that making progress toward USPS's financial viability would primarily involve taking action to rightsize operations, cut costs, and increase revenues."
- Postal Regulatory Commission Chairman Ruth Goldway told the Senate postal oversight panel that while the Postal Service has been exploring the savings that could come from reducing the number of days of mail delivery from six to five, "the potential near-term savings in cutting delivery days has significantly less impact than addressing issues of retiree liabilities. And could add to the rate of mail decline at a time when mailers and the economy are just beginning to recover from a severe recession."
- The USPS this week published its responses to questions asked through its Request for Information (RFI) process on an Online Direct Mail Solution. For the most part, the Postal Service responded that it is


exploring all options, or looking for industry input on best practices, on the finer points of a hybrid mail solution.


- The USPS on April 21, 2010, posted on its web site an advance copy of its final rule for its 2010 Standard Mail Incentive Program (aka "summer sale"). The sale will provide a 30 percent credit on postage paid by Standard Mail customers mailing an increased volume of letters and flats above a predetermined threshold. The program period will run from July 1 through September 30, 2010.
- The Buzz Machine's Jeff Jarvis, author of "What Would Google Do?" Said that "the ash cloud over Europe will kill airmail and with it paper documents around the world. It will hasten the decline and death of postal delivery that I foresaw here."
- According to the Courier, Express, and Postal Observer, "PowerDirect like other firms trying to compete with the Postal Service for a share of the market for delivery of print advertising to households is a firm focused on local delivery of advertising. Their business model allows them to compete with the Postal Service on both a price and service basis."
- Butler Mailing Services president Todd Butler debunks a number of myths circulated in the general press in his outstanding letter to a newspaper editor.
- Secure destruction survey. More on the USPS RFI. Treasury goes green . . . USPS goes red. Big Brother?
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- Postal previews.


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





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


 The [BBC](#) has reported that "Postal workers at Liverpool's new main delivery centre have walked out on unofficial strike. About 100 staff, who moved from Copperas Hill to Brunswick Dock three weeks ago, claim Royal Mail has broken promises. They have accused it of withdrawing redundancy offers and say parts of the new depot are too cramped. A Royal Mail spokesman said it was in talks with the Communication Workers' Union (CWU) to resolve the strike."

 [Government Executive](#) has reported that "While labor costs are a major cause of financial woes at the Postal Service, five-day mail delivery and further workforce reductions are not certainties, officials told lawmakers on Thursday. Employee compensation and benefits account for 80 percent of Postal Service expenses -- a major cause for concern, witnesses said. "We can't fix this problem without looking at all costs. To say we shouldn't consider labor costs, we won't solve the problem without considering [them]," said Sen. Tom Coburn, R-Okla. Panelists agreed that one change alone won't solve the Postal Service's fiscal problems."

 According to the [Post Chronicle](#), "The Postal Service should downsize itself and remake its operations - and, in one sense, the timing couldn't be better. It employs just under 600,000 workers, and 50 percent of them are expected to retire within five years. If its services were redefined for a smaller workforce, those positions could be eliminated at great savings."

 From [MarketWatch](#): "NEC Corporation (NEC; TSE: 6701), a leading network, communications and information technology company, announced today the conclusion of a framework agreement to deliver and install 18 new Culling, Facing, Cancelling and Revenue-protection (CFCR) systems for TNT Post B.V., the universal service provider for letter mail in the Netherlands. The new CFCR systems, based on NEC's latest NS-10 platform, will be used to replace and expand upon the services currently being provided by previous generations of NEC's CFC systems."

 According to [UniGlobal](#), "The draft Canada-EU agreement, a well-guarded secret until its release earlier this month, reveals that the federal government may be putting public postal service and other public services at risk."

 From [Business Wire](#): "A United States Postal Service (USPS) proposal that would reduce delivery of mail to five days could negatively impact the millions of Americans with chronic conditions who rely on the convenience and value provided by mail-service pharmacies, the Pharmaceutical Care Management Association (PCMA) said in letters sent to U.S. House Committee on Oversight and Government Reform Chairman Edolphus Towns (D-NY) and U.S. Senate Committee on Homeland Security and Government Affairs Chairman Joseph Lieberman (I-CT)."

Well, we had a bit of a technical problem with yesterday's webinar. Apparently, GoToWebinar, on its own, decided to send some of the registrant's the wrong access code. So, for those who may have missed it, here's what you can do.

The recording and presentation from the webinar entitled "Executive Summary - NPF" hosted by David Robinson, Postal Relations, Pitney Bowes, can be accessed by going to <https://www1.gotomeeting.com/register/779977328>.


Enter your email address and hit the prompt to view the webinar. Give it a few minutes to load. Now . . . Here's what you really missed. It was the conversation between Dave Robinson and the GoToWebinar computer named HAL.

***Dave:** "HAL. You sent out the wrong information. Now fix it!!"*

***HAL:** "Sorry, Dave, I can't do that . . ."*

Well, you get the picture.


April 22, 2010


 A hearing on "**The Future Of The U.S. Postal Service**" before the Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security.

Opening Statement: [Sen. Thomas Carper](#) (R-DE)

Witnesses:

- [Phillip R. Herr](#) Director, Physical Infrastructure Issues Government Accountability Office;
- The [Honorable John E. Potter](#) Postmaster General United States Postal Service;
- The [Honorable David Williams](#) Inspector General U. S. Postal Service;
- The [Honorable Ruth Goldway](#) Commissioner Postal Regulatory Commission. [3:30 p. m.]


 The Postal Service has posted its [answers to several questions](#) that it had received regarding its RFI on SME Direct Mail Solution - #RFI-SMEDM-03302010.


 **Press Release:** "Mobile Marketing & Retail Strategies: Advertising, Coupons & Smart Posters 2009-2014 This report provides industry intelligence and forecasts for the three markets which together comprise mobile retail: mobile coupons, smart posters, and mobile advertising. Incisive analysis of key players and their recent product launches are provided, along with discussions on the evolution of the mobile retail market over the next five years."


Here's an offer you really shouldn't refuse. [Check it out.](#)


 [Parcel magazine](#) has reported that "PARCEL has asked Doug Kahl, Vice President at TranzAct Technologies to provide a brief analysis of UPS' recent pre-announcement of First Quarter Earnings and some insight on what we may hear on next week's Earnings Call."


April 22, 2010


 [Hellmail](#) has reported that "At least one in 24 records in direct marketers' contact databases are corrupt after a year if they don't update or cleanse their database - according to Postcode Anywhere's study of daily changes to Royal Mail's Postcode Address File. Companies who use Royal Mail's official records but don't use the updated version can see marketing material misdirected with junk mail costing UK e-commerce 146m a year. Address auto-fill and validation users who want to keep an eye on data quality could be in for a shock if they don't frequently update their dataset says UK address management company Postcode Anywhere - with as many as one in every 24 records becoming corrupt over the course of a year."


 The [Postal Regulatory Commission](#) has posted on its site a database of postal street collection boxes.


 [New Straits Times](#) has reported that "The revised domestic mail tariff effective July will not burden the people, Information Communication and Culture Minister Datuk Seri Dr Rais Yatim said. He said on the other hand, the tariff revision would benefit over 15,000 staff of Pos Malaysia. "This is because corporate customers form 90 percent of major postal users with 1.2 billion items annually. The mail tariff has not been restructured since 1992," he said after launching "Mel Rakyat" at Kuala Kubu Baru post office here today. The Cabinet early this month approved revision of tariff and stamp for letter weighing less 20g from 30 sen to 60 sen starting July."

 [Online Media Daily](#) has reported that "Magill, the founder of Magilla Marketing, said email marketers need to avoid the temptation of sending out masses of emails, although that can drive immediate results. It could be penny-wise, but pound-foolish. "Sending unwanted email is a very brand-damaging act," he said at MediaPost's Email Insider Summit. "Think about what you're doing." Email click-throughs and purchase results can be tracked, but the negative opinion a barrage generates that festers can't be measured. "When you send garbage, [consumers] hate you for it," Magill added. "Email is a very visceral thing."


 The [Washington Post](#) has reported that "The Treasury Department is making a big push to go green -- and save a lot of green -- by switching millions of people who receive Social Security and other federal benefits from paper checks to electronic payments. If someone doesn't have a banking relationship or doesn't want to receive payments by direct deposit, there's the option of the Treasury's Direct Express debit card. A million people already get their benefits through the debit card."

 [Uni-Global](#) has reported that "CTT - Correios de Portugal, SA, (Portuguese Postes), alleging the need to streamline the sorting/treatment and home-delivery of mail, outsourced to a company of the CTT Group - the DTE - the processing of mail from large customers and, in different areas throughout the country, and areas of home-delivery mail. By doing this the CTT's want to change the Postmen's working hours and cut out bonuses that were already part of the monthly salary (monthly cutting of +/- 270.00 Euros). The union said that if we allow that to occur, it will be a cut of 270.00 Euros on net wages of, an average postman's salary of 950.00 Euros and this will mean a cut equivalent to 25% of monthly income of most of the Portuguese Postmen's."


 According to [China Knowledge](#), "Enterprises above the designated size in China's express delivery industry reaped a total of RMB 12.4 billion in revenue in the first quarter of this year, according to statistics released by the country's State Post Bureau."

 The [Appeal-Democrat](#) has reported that "A move by the U.S. Postal Service to have agriculture inspections at the Olivehurst mail sorting facility bumped to a time early even for roosters has Yuba County officials crying foul. County Agricultural Commissioner Louie Mendoza said moving the inspections to before 5 a.m., when previously they had been done between 7 a.m. and 9 a.m., was retaliation for the county's critical comments on closing the facility and moving its operations to West Sacramento."


 [As What They Think](#) has noted, "The U.S. Postal Service recognized Arandell Corporation with its Corporate Business Achievement Award for the company's commitment to a successful business partnership with the Postal Service. The award was announced at the annual National Postal Forum, held April 11-14 in Nashville, TN."


 Postal news from [Hellmail](#):


- [Royal Mail Service Update As Flight Restrictions Lifted](#)
- [DHL To Resume Flights From East Midlands](#)
- [Direct Mail Company Postforce Offers Free Mailing](#)
- [TNT Post Adds Weight to Unsorted Mail Offering](#)
- [uShip Introduces Green Transport Solution](#)


 [Business First](#) has reported that "United Parcel Service Inc. continues to deal with a limited air network in Europe as some air space across the continent remains closed. Flights have been grounded in parts of Europe for nearly a week because of ash being spewed thousands of feet in the air by a volcano erupting under the Eyjafjallajokull glacier in Iceland."


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


 As [stamps lose hold as a hobby](#), these philatelists push the envelope.

 [Japan's government](#) Tuesday unveiled details of a plan to expand the financial-services offerings of its sprawling postal service, a move that has sparked protests from Japan's financial industry.

 [Mobile Enterprise Magazine](#) has reported that "The Italian private postal service company Defendini uses 200 BlackBerry devices (BlackBerry Curve 8300s and 8310s) to help its mail carriers confirm and track deliveries -- and within the next year, the company plans to add another 200 BlackBerry devices to the deployment. In addition to BlackBerry smartphones, the company's mail carriers are provided with Baracoda RoadRunner data matrix bar code readers to scan postal mail and packages (as well as a code indicating the type of delivery) in order to confirm delivery time and location."


 The [Irish Times](#) has reported that "the volcanic ash plume from Iceland has affected the delivery of thousands of letters and parcels to long-haul destinations such as the US and Australia. An Post said 20 per cent of overseas mail has not been delivered since last Thursday, when long-haul flights were halted. After Irish airspace closed, An Post quickly organised alternative routes of delivery for UK mail. Its spokesman said all services to the UK were operational "with minimal delays" due to dispatch by road and ferry. On Tuesday, it resumed deliveries to main European destinations via ferry and road, with some delays to delivery times. The remaining 20 per cent of international mail goes to destinations such as the US, Canada and Australia, and cannot be delivered until these flights resume."


 From [OfficialWire](#): "Japan Post - SWOT Analysis company profile is the essential source for top-level company data and information. The report examines the company's key business structure and operations, history and products, and provides summary analysis of its key revenue lines and strategy."


 From [MarketWatch](#): "HP has announced a new services delivery platform -- the HP MPS Smart Decision Suite -- that enables customers to better analyze, report and predict the use of their imaging and printing devices through an HP Managed Print Services (MPS) engagement. In addition, HP introduced HP ePrint Enterprise mobile printing solution, based on HP CloudPrint technology and available on the BlackBerry(R) smartphone. This announcement is the result of HP and Research In Motion's (RIM) strategic alliance announced last year and is the first use case of HP's ePrint strategy. HP ePrint also will be available at public print locations through FedEx Office and Hilton Worldwide, providing mobile enterprise workers a secure remote printing experience."


April 21, 2010


 Be sure to check out [Target Marketing's](#) "5 Direct Mail Ideas Based on Social Media Insights."

 Check out the latest from the [Pew Research Center for the Press & the Press](#). It rates how people feel about various government agencies, and the Postal Service comes out pretty good.

 From [PRNewswire](#): "On the eve of the 40th anniversary of Earth Day, the U.S. Postal Service unveiled its green newsroom, a one-stop shop for all its environmental information. Replete with photos of its energy-saving vehicles and facilities, green products and services, and a time-lapse video of the construction of New York's largest green roof, the Postal Service's green newsroom is its newest, most informative site to visit on Earth Day."


 The [Washington Business Journal](#) has reported that "The U.S. Postal Service has suspended guarantees on delivery for European deliveries as volcanic ash continues to disrupt air travel. It has also banned shipments of perishable items to many European countries." See also the [Washington Post](#) and the [U.S. Postal Service](#).


 The [Bermuda Sun](#) has reported that "the Post Office's workload has plummeted in recent years and yet there are still as many staff, getting paid more seemingly to do less. It last turned a profit in 1996. Is this a microcosm of what goes on throughout government, where the staff rollcall rises but accountability is vague at best? Or is the Post Office merely struggling to provide a vital service amid mounting competition from e-mail and private courier services? Jobs will not be cut at the Post Office despite projected losses of almost \$8million for the next financial year. And Government has no current plans to raise local stamp prices, which have remained constant at 35 cents for over a decade, to help address the losses. Postmaster General George Outerbridge said he was focusing instead on creating new revenue streams to compensate for the decline in usage of the service."

 According to [The Age](#), "postal delivery workers have been regularly paid less than the award throughout north-east Victoria under outsourcing contracts signed off by Australia Post management."





The [Postal Journal](#) has published a piece on "An Investment Analyst's View of SmartPost."


 **DMM Advisory: Summer Sale Returns.** The [Federal Register](#) final rule on the upcoming 2010 Standard Mail Incentive Program (aka 2010 Summer Sale) was posted today on Postal Explorer at [pe.usps.com](#). The Sale will provide a 30 percent credit on postage paid by Standard Mail customers mailing an increased volume of letters and flats above a predetermined threshold. The program period will run from July 1 through September 30, 2010. Invitation letters will automatically be sent to eligible customers by May 1, 2010. Mailers who want to participate in the program and believe that they meet the minimum eligibility criteria, of mailing 350,000 Standard Mail letters or flats within the program qualification period, may request a review of their eligibility by contacting summersale@usps.gov no later than May 15, 2010. The 2010 Standard Mail Incentive Program was reviewed and approved by the Postal Regulatory Commission on April 7, 2010.


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


 French La Poste intends to almost triple its profit from 2010 to 2015.

 Deutsche Post wants to keep prices steady for its key accounts when its VAT privilege is ending at the end of June and therefore will accept a negative impact on its letter division's earnings.


 Sandd and Selekt Mail, Dutch TNT's main competitors, have to conclude permanent contracts with the majority of their deliverers.


 Spain's postal unions have announced to widen their protests.


 The attempt to gain market shares in the premium market as the smallest of three providers was a mistake. Frank Appel, CEO of Deutsche Post, concluded quite clearly on DHL's past expansion in the USA in front of journalists in New York. Appel further added, in fact our customers always cherished us, but being cherished is not useful, if you can't do business with it.

 FedEx intends to expand its market position in Europe with additional flights between China

and the EU.


 Poczta Polska lost its monopoly on mail delivery orders by a change of the code of civil procedure.


 According to a report of the Dutch business journal Handelsblad (19.04) there is a logical and obvious buyer for TNT's postal services: the private equity company CVC. However it is questionable whether CVC, which holds 50% minus 1 share of Belgian La Poste, is able to realise the acquisition on its own. Additionally Netherlands political parties are seeking to limit foreign private equity interests in Dutch companies through fiscal measures.

 Portuguese CTT Correios only recorded declining revenues and earnings in 2009.




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 [Wall Street Journal](#) has reported that "Japan's government Tuesday unveiled details of a plan to expand the financial-services offerings of its sprawling postal service, a move that has sparked protests from Japan's financial industry. The plan, part of an effort by Japan's new government to reverse the privatization of Japan Post Holdings Co., follows weeks of government discord over how far to take the effort. The plan suggests the government is moving toward the preferred policy of Banking and Postal Services Minister Shizuka Kamei, a privatization opponent who has pushed to give Japan Post greater competitive heft. The move has drawn criticism from Japan's financial industry, amid concerns that a government-backed financial giant could distort competition and present a big risk to the stability of the market."

 The [Business Spectator](#) has reported that "Australia Post chief executive Ahmed Fahour has unveiled a new five-year plan designed to harness the rapid growth in internet usage and online retailing. The program called 'Future Ready' will see Australia Post restructure into four strategic business units Postal Services, Retail Services, Express Distribution Services and E-Services and was unveiled to staff in a presentation today. Mr Fahour believes growth in parcel traffic from online retailing can balance the reduction in letter postage as a result of the growth in email and online communication services."



[Dow Jones](#) has reported that "Dutch Postal and Express company TNT NV said Wednesday it resumed flights to and from Hong Kong, Shanghai, and New York JFK. TNT also resumed international and domestic flights in Europe."

 The [Japan Times](#) has reported that "The administration plans to reorganize Japan Post Holdings Co.'s five-company structure into three companies in October 2011, with the government continuing to hold more than one-third of its shares, Cabinet members said Tuesday. The move is part of the Democratic Party of Japan-led administration's proposed legislation aimed at scaling back the privatization of Japan Post that was spearheaded by Junichiro Koizumi of the Liberal Democratic Party when he was prime minister. Postal reform minister Shizuka Kamei, and Internal Affairs and Communications Minister Kazuhiro Haraguchi announced the details of the bill at a joint news conference."

 The [Herald Sun](#) has reported that Australian "post offices will soon offer access to more government services, possibly Centrelink, as Australia Post ramps up its business. Recently-appointed chief executive Ahmed Fahour said yesterday the company was talking with the government about expanding its offer of "vital trusted services". The former NAB Australia chief would not comment specifically on whether Australia Post's 4433 outlets would become an alternative access point for welfare payments. But he said the company was keen to add to the government services it offers such as passport applications." See also [News.com.au](#).

As the [Springfield News-Leader](#) has noted, "The National Association of Letter Carriers and National Rural Letter Carriers Association's annual Stamp Out Hunger food drive is May 8."

From [PRWeb](#): "Valassis, one of the nation's leading media and marketing services companies, announced today that coupon distribution and redemption continued to increase significantly in the first quarter of 2010. This increase builds on record-setting growth announced for 2009. These findings were revealed as part of a Coupon Market Quarterly Update recently released by NCH Marketing Services, Inc., a Valassis company."

Here's an interesting piece in the [Brooklyn Daily Eagle](#). [EdNote: Thanks go to [Postalnews.com](#) for finding this one.]

The [Kalamazoo Gazette](#) has reported that "Local union leaders say the United States Postal Service could announce within several weeks whether some services now handled at a Kalamazoo Processing and Distribution Center will be transferred to Grand Rapids."

Postal news from [Hellmail](#):

- [Moving The Mail - Prepare For The Future](#)
- [No Smoke Without Fire](#)
- [European Postal Operators Brace For Further Disruption](#)
- [Latvian Post Finds Solutions For Delayed International Mail](#)
- [Romax Celebrates Transpromo Win](#)


FedEx [Trading Markets](#) has reported that "FedEx burnished its environmental credentials Tuesday with release of a 2009 Citizenship Report touting the company's EarthSmart initiative and improvements in the express company's carbon footprint. Since 2005, FedEx has reduced aircraft emissions 8.33 percent and boosted fleet efficiency 14.1 percent, the report said."


The [Wall Street Journal](#) has reported that "FedEx Corp. has restarted its European hub at Charles de Gaulle airport north of Paris, although United Parcel Service Inc.'s (UPS) European hub in Cologne remains closed. Operations began at the FedEx hub late Monday, according to a Memphis-based spokeswoman. One flight took off bound for Memphis, and additional flights landed from the Middle East and Asia. The company is warning customers it will take time to clear cargo backlogs, however. UPS said it is holding all outbound European freight at its Cologne hub--instead of trucking it across Europe to airports that have opened--because the company has been told German air space will open in the next day or so. "The second they open the air space, those European packages will take off," UPS spokesman Norman Black said." See also the [Louisville Business Journal](#).

April 20, 2010

The word from *several* sources is that Korn Ferry is in charge of a search for a new postal senior v.p. to be in charge of governmental and public affairs. It sounds like a re-creation of a position that once had existed within the USPS. It was a good idea then. It would be a good idea now.

The [Wall Street Journal](#) has reported that "Japan's government Tuesday unveiled details of a plan to expand the financial-services offerings of its sprawling postal service, a move that has sparked protests from Japan's financial industry. The plan, part of an effort by Japan's new government to reverse the privatization of Japan Post Holdings Co., follows weeks of government discord over how far to take the effort. The plan suggests the government is moving toward the preferred policy of Banking and Postal Services Minister Shizuka Kamei, a privatization opponent who has pushed to give Japan Post greater competitive heft. The move has drawn criticism from Japan's financial industry, amid concerns that a government-backed financial giant could distort competition and present a big risk to the stability of the market."

 House Oversight Committee chairman Edolphus Towns has written in the [Huffington Post](#) that "The committee [has examined the USPS Inspector General's report entitled "The Postal Service's Share of CSRS Pension Responsibility." The IG argued that the USPS has overpaid into the Civil Service Retirement System by as much as \$75 Billion. Employees who worked for both the old Post Office Department before 1971, and the independent Postal Service after 1971, receive pension payments that are funded by the federal government and the Postal Service. **If these findings are correct, it puts the changes to the USPS business model in a whole new light because the Postal Service would be able to fully fund its retiree health care obligations for the next 75 years if it was allowed to access the funds.** Congress could then relieve the Postal Service of its requirement to pay an average of \$5.5 billion into the health care trust fund for future retirees until 2016. Taken together, these two steps would put the Postal Service on much firmer financial footing.

 From [PRNewswire](#): "For the seventh year in a row, Valpak announces its support of the National Association of Letter Carriers (NALC) Stamp Out Hunger food drive, the nation's largest one-day effort to help needy families. On May 8, postal carriers will collect non-perishable food from customers along their routes and deliver the food to local food banks. Valpak pledges to help the NALC by featuring the event on some 40 million Valpak envelopes distributed across the United States as a donation to support the cause. This year, in addition to the in-kind donation worth more than \$1 million, Valpak will donate \$1 for every new Valpak Facebook fan (up to \$5,000) to Feeding America."

Join us for a Webinar on April 22



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<https://www1.gotomeetin g.com/register/364323649>

Presented by David J Robinson, Pitney Bowes, Postal Relations, Washington, DC.


Join us for to a recap of what was presented at the NPF as well as to hear what some attendees felt that they learned by attending the sessions and the overall NPF experience. We'll have an overview of the hottest topics and offer a Q&A session at the end to determine the need to have follow up web events to spend more time on topics as requested.


Title: Executive Summary - NPF

Date: Thursday, April 22, 2010

Time: 1:30 PM - 2:30 PM EDT

After registering you will receive a confirmation email containing information about joining the Webinar.

 [International Freighting Weekly](#) has reported that "Forwarders believe it could take three weeks to clear backlogs of cargo, even if airspace restrictions were lifted today, while airlines are expected to implement rate hikes as the scramble to get cargo into northern Europe intensifies."

 The [Manawatu Standard](#) has reported that "Posties will have more parcel power in Palmerston North from today. New Zealand Post is trialling having posties deliver parcels weighing up to 5kg, along with the normal run of letters. They will be given trailers to tow behind their bikes, and some of the bikes will become battery powered, said New Zealand Post's general manager for postal delivery, Matthew Riordan. Posties' mailbags will also get bigger. The trial will run through April and May. Palmerston North has been chosen because it has a mix of postal delivery modes and the infrastructure to support the trial. The city's 41 posties deliver 90 per cent of the mail by bicycle; the rest walk or use motorbikes."


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

- [Email marketing spend is estimated to increase 9%](#) in 2010 to about \$1.4 billion.


- As Microsoft conducts research into improving the experience for the Hotmail user, some surprising findings have emerged that should be [a boon for email marketers](#). People are using their inboxes more for commercial purposes than personal ones. In a behavioral survey, the top three reasons people said they use email were: shopping online and conducting transactions; receiving billing statements and managing related accounts; and communicating with businesses in a way that allows privacy.


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

- [Japan's government](#) Tuesday unveiled details of its plan to reform the nation's postal system, choosing the radical option of expanding its offering of financial services after weeks of government discord over how far to go in reversing privatization. The move has drawn heavy criticism from Japan's financial industry, amid concerns that a government-backed financial giant could distort competition and present a significant risk to the stability of the market.
- [An influential Japanese banker](#) said the government's plan to roll back the privatization of Japan Post Holdings Co. While allowing it to expand its offering of financial services will create a market risk similar to that of Fannie Mae and Freddie Mac in the U.S.
- [Deutsche Post AG](#) has been transporting packages via road and rail to sidestep the massive ash cloud hovering over much of Europe. Even the logistics giant's chief executive was rerouted. Frank Appel, who was in Washington and New York for meetings last week, was supposed to head back to Germany on Friday. His flight was canceled, according to a spokesman traveling in the executive's entourage, though the group managed to land spots on a Rome-bound Alitalia flight Saturday night.

 Postal news from [Hellmail](#):

- [Five Tips To Ensure Parcels Arrive During Ash Crisis](#)
- [Royal Mail Suspends Next Day Guarantee For Special Deliveries](#)
- [Neopost helps Homeserve Save Over 35k A Year In Mail Processing](#)
- [International Mail And Air Freight Affected By Flight Ban](#)
- [EU Countries See 28 Percent Increase On Standard Letter Prices](#)

 According to Jeff Jarvis' [BuzzMachine](#), "**The ash cloud over Europe will kill airmail and with it paper documents around the world.** It will hasten the decline and death of postal delivery that I foresaw here. It will have an equally profound and permanent impact on other sectors of the economy and society. But let's just look at the post office. Right now, it is impossible to get a document to or around Europe with speed. People can't fly. Mail can't fly. Even when the air clears, there'll be diminished faith in the ability of the post office not to mention FedEx, DHL, and UPS to make speedy delivery of documents. **Any company or agency with an ounce of strategic sense is creating a plan now to convert to digital.** It is speedier (instant!) And more certain (guaranteed) and cheaper (free) and even earns green points (no dead trees, no fuel, no fumes). What's not to love? On top of that, Google just announced Cloud Print, which will enable Sally in Chicago to print directly to Sarah in London's printer. This does us the favor of getting rid of the hassle of printer drivers (once compatible printers are built). As Leo Laporte realized on the latest This Week in Google, it also portends the end of that other great hassle: the fax machine (and with it, all tired metaphors about the value of fax networks). With Google Docs and Google Print, who needs the post office or the FedEx bill or the fax machine? We'll have Iceland to thank for this."


 [Business Times](#) has reported that "Singapore Post on Tuesday said **postal services bound for European destinations are disrupted** due to the closure of major airports within Europe as a result of ash cloud from a volcanic eruption in Iceland. As a result, international air mail service including registered articles and parcel items from Singapore to Europe and vice versa is subject to delay."


 [Postal Technology International](#) has reported that "**International mail delivery and airfreight continue to be delayed by flight restrictions** imposed in the wake of the Icelandic volcanic ash


cloud. The UK and Northern Europe have been the most affected. Freight flights have been grounded, causing disruptions for operators such as DHL and Royal Mail.


 [Be sure to check out Butler Mailing president Todd Butler's response](#) to a Seattle Spokesman story lambasting advertising mail.


April 19, 2010

 [Business Week](#) has reported that "United Parcel Service Inc. made three flights to Madrid and one to Istanbul overnight to get its first express shipments by plane into continental Europe since volcanic ash disrupted air travel."


 The [National Association of Letter Carriers](#) has told its members that "Subcommittee Chairman Stephen Lynch (D-MA), full committee Ranking Member Darrell Issa (R-CA), subcommittee Ranking Member Jason Chaffetz, Rep. Gerry Connolly (D-VA) and several other members raised many questions about the validity of the Postmaster General's projection of a \$238 billion shortfall over the next 10 years, the USPS's claim that the elimination of Saturday delivery is essential to its future viability, and whether the GAO's study has true value if the assumptions it used are now being called into question."

 According to [Intelisent](#), "Full-Service Intelligent Mail USPS Release #4 is now slated for implementation November 2010. This release will be a **big-brother is watching - and charging - you** release. Intelligent Mail barcode Mail Quality reports will be beefed up, in order to support the USPS non-compliance revenue stream. **Instead of looking at compliance issues as a way to improve the mailstream, the Postal Service is more focused on catching errors and charging for them - in most cases the loss of the tiny Intelligent Mail discount and Full-Service benefits for Full-Service Intelligent Mail users.** This will make the risks associated with presenting Full-Service mailings all the more difficult to alleviate. The USPS will also be implementing reports designed to catch and charge those receiving Full Service Free ACS and then failing to update the addresses within the required time frame."

 [The Irish Sun](#) has reported that "An official with the Universal Postal Union (UPU) said Monday that operators across Europe were trying to cope with the closed skies that have seen planes needed to deliver letters and packages grounded."

 The [Washington Post](#) has noted that "Loyal Federal Eye readers and close observers of the U.S. Postal Service flagged an exchange from last week's House hearing about the mail agency that is worth highlighting here. Though the Postal Service estimates it could lose \$238 billion in the next decade, it's a worst-case scenario estimate based on assumptions that fewer postal workers than anticipated will retire, that Congress won't take any action and that the agency won't institute \$123 billion worth of planned cuts. Under questioning by Rep. Gerald E. Connolly (D-Va.), Postmaster General John E. Potter admitted last Thursday that the figure "is a theoretical number" (see video of the exchange above). Connolly called the \$238 billion figure "hard to believe," adding later, "It looks, frankly, a little bit like a scare tactic to get us to make some decisions that may or may not be popular."

 [Post & Parcel](#) has reported that "Postal operator CTT Correios de Portugal announced a net profit of EUR 50.6m for 2009 one of the highest totals achieved during the last 40 years."


 The [Wall Street Journal](#) is of the opinion that "Japan's government is planning to expand deposit caps at the country's state-owned bank already one of the biggest deposit-taking institutions in the world. Critics worry this move signals a fundamental rollback of the Junichiro Koizumi-era reforms. To the contrary: Now would be the wrong time to privatize the postal bank."





A new OIG report has been posted recently on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsoig.gov/>). If you have additional questions


concerning this report, please contact Agapi Doulaveris at 703.248.2286. [Officer Compensation for Calendar Year 2009 \(Report Number FT-WP-10-001\)](#)


The latest blog posted today on the U.S. Postal Service Office of Inspector General's Internet site [Pushing the Envelope](#). The public, mailers, postal employees, and other stakeholders are invited to weigh in on the online discussions taking place. To view the site, visit <http://blog.uspsig.gov/>. **Does the Postal Service Need to Re-examine Its Delivery Service Standards?** Can the Postal Service relax some of its delivery standard requirements to save money in transportation or processing costs?


 [MediaDailyNews](#) has reported that "After years of showing great promise but disappointing growth, mobile marketing is poised for explosive growth over the next four years."


 The [Wall Street Journal](#) has reported that "FedEx Corp. and the Teamsters union are battling over whether wide-ranging aviation legislation will contain provisions to make it easier for unions to organize airline employees and harder for carriers to cut costs by allying with rivals or outsourcing maintenance. A House version of the bill to fund the Federal Aviation Administration a three-year, \$54 billion package passed last year contains several pro-union provisions. A two-year, \$35 billion Senate version doesn't. Lawmakers from both chambers are set to negotiate a final version within the next few weeks. Lobbyists for unions and industry groups are stepping up efforts to influence the outcome."

 According to the [Post Chronicle](#), "The Postal Service should downsize itself and remake its processes - and, in one sense, the timing couldn't be better. USPS employs just under 600,000 workers, and 50 percent of them are expected to retire within five years. If the USPS services were redefined for a smaller workforce, those positions could be eliminated at great savings."


 [Printing Impressions](#) has told its readers that "any conversation that involves maximizing postal discounts begins and ends with the United States Postal Service (USPS) and its Intelligent Mail Barcode (IMB) technology, especially in recent months. In order to claim automation discounts, mailers must switch from using the Postnet barcodes to what is casually referred to as basic or full-service IMB by May of 2011. Simple, huh? Well, not quite. Sit down; this requires a little explaining, but it behooves you, as a printer/mailer, to do a little investigating of the options and canvassing of your mail clients to determine what is your best fit."


 According to one writer for [OpEdNews](#), "The United States Postal Service is looking at some drastic cost savings measures. Here's the problem: they're looking at the wrong thing. The reason the US Postal Service is hurting is "yes, the Internet has negatively impacted letter writing, postage and what have you," but the real reason is I cannot remember a time ever going to any post office and wanting to go back. I cannot remember a time ever going to any post office and having a Southwest Airlines customer service experience. I dread going to the US Post Office and the vast majority of folks who are reading this are saying "no kidding""and some who are reading are saying this and they work for the US Post Office. Businesses like this don't survive forever especially when there are choices and they shouldn't and this one shouldn't."


 The [St. Louis Post-Dispatch](#) has written, "The United States Postal Service has placed a fundamental question before Congress and, by extension, the American people: Should the nation continue its tradition of universal postal service? **If the answer is yes, then Congress must act quickly** to free the Postal Service to make the kind of reforms needed to stabilize delivery and maintain universal service over the long run. If the answer is no, then get ready for some wrenching changes."


 [DM News](#) has told its readers that "Over lunch recently with the leader of a major direct marketing agency, I had the conversation again. You know, the one about the term direct marketing and what it really means, and whether it is still relevant? The Direct Marketing Association is contemplating a name change to better reflect its mission. It has happened before. It was once the Direct Mail Marketing Association, and the Direct Mail Advertising Association before that. Perhaps it is time again. In fact, the association's DM Days, the annual regional direct marketing conference in New York in June, may be a test balloon. The confab was just re-named Digital Marketing Days to reflect a more cutting edge focus on interactive marketing. The industry cuts a wide swath. These disparate


organizations all traffic in direct marketing. No wonder direct marketers have an identity crisis. Direct marketing is interesting and complex. Let's not get hung up on terminology. Isn't it more important to practice a discipline that works, that helps move mail, move catalogs, move more dollars to the bottom line? Does it really matter what we call it, as long as we do it?"


 According to the [Jacksonville Daily News](#), "Last month the USPS announced a multifaceted proposal that includes: Restructuring retiree health benefit payments; five-day delivery service; establishment of a more flexible workforce; price adjustments to services and increased retail offerings. All the proposed reforms seem to have some merit, but the most promising is moving to a five-day delivery service, dropping Saturdays. This alone would save about \$40 billion over 10 years. The impact on consumers would be moderate, given that Saturday is the lowest-volume delivery day. Under the plan, post offices would remain open Saturdays, and express mail delivery would continue. The plans are baby steps in the right direction. The end goal should be privatizing the postal service and/or ending its monopoly on first-class mail delivery."

 As [ZDNet](#) has noted, "As the Postal Service keeps trying to increase rates to make up for the huge losses, more and more companies will be forced to do more and more communication online, instead of through the mails. Back in the days before the Internet, the software company I worked at used to do both promotional mailings and upgrade notifications via snail mail. We did an upgrade once and it cost us more than \$100,000 just to tell people we had a new version of software. Nowadays, software developers just post a note on Twitter or their Web site or worst-case send an email to the opt-in subscriber list. Each option is basically free. This is the competition the Post Office is facing: \$100,000 or free. Free will win."


 As the [Washington Post](#) has noted, "The General Accountability Office last week warned that the U.S. Postal Service's business model is no longer viable because of its inability to reduce costs sufficiently to offset falling volume and revenue."

 The [San Francisco Chronicle](#) has reported that "Ruth Goldway, the new chair of the Postal Regulatory Commission appointed by President Obama, has suggested turning post offices into one-stop shops for government services that would issue passports and national park passes, expand the money-order business and "reinvent the letter carrier" to be the "eyes and ears of the community and the sales and service point for small businesses." But such ideas cost money and don't come close to replacing the loss of revenue from business customers, said Gene Del Polito, president of the Association for Postal Commerce, a trade group for business postal users. "When customers, primarily business customers, leave the postal system because they're using some other medium, how are you going to be able to continue to pay for whatever it is you believe the nation should have?" Del Polito said. "What you're finding out now is if you can't pay for it, you've got to figure out what it is you need, not what you want."


 The [Wall Street Journal](#) has reported that "United Parcel Service Inc. (UPS) said Sunday that it has begun flying some Europe-bound Asian freight to Istanbul, Turkey, where it then will be trucked to its final destinations in a process expected to add up to three days to delivery schedules. The effort marks the latest contingency plan as cargo carriers deal with the flying ban over much of Northern and Central Europe stemming from a volcanic eruption in Iceland. The ensuing ash cloud has grounded passenger planes as well."


 [Print CEO](#) has published its own version of the highlights from the National Postal Forum.


April 18, 2010


 According to postal **Inspector General David Williams** writing in the [Federal Times](#), "Each year, before the Postal Service even opens its doors for business, it is saddled with paying a \$7 billion-a-year overcharge for retiree health care more than 10 percent of revenues. My office believes these \$7 billion payments are erroneous and the result of exaggerated health care forecasting, excessive pre-funding levels for the retiree health care and pension funds, and an unfair transfer of federal pension obligations to the Postal Service. We believe the estimate of the Postal Service's future burden for retiree health care has been exaggerated because the government has assumed a health care forecast 2 percent higher than the industry standard. Secondly, the Postal Service is currently required to fund 100 percent of its retiree health and pension obligations more than the standard 80 percent pension funding


levels found in the Standard & Poor's 500 and the federal government's own funding level of 41 percent. Lastly, by our calculation, the Postal Service has been overcharged \$75 billion for its pension obligations. When the Post Office Department became the Postal Service in 1971, employees who belonged to the federal pension fund started contributing to the Postal Service."


 [The Observer](#) has reported that "Moses Serugo Written by Moses Serugo Sunday, 18 April 2010 15:40 Posta Uganda ought to be a fossil in today's digital era. Not many of us have to send out an aerogramme or wait for an operator to put us through to London anymore. There are numerous options available: email, instant messaging, Facebook, Twitter, Skype and the like. However, sending and receiving parcels at a fee that will not break the bank makes the postal service relevant for anyone ordering printed material or bite-sized electronic equipment from overseas. However, in the recent past, receiving parcels from the UK has been a recurrent nightmare. The response from the customer service desk at Posta Uganda has been callous. Consider your mail lost if it doesn't arrive in your post office box within a month!"

 [The Pocono Record](#) has reported that "Pocono Business Journal is returning this week online, just two months after it folded. Trump Media Inc., owned by Jason Trump of East Stroudsburg, purchased the branding and assets from former publisher and owner Marynell Strunk, who launched the publication five years ago. Starting Monday, it will be available as an online entity, not in print form at this time. Strunk cited a tougher economic climate and the shrinking print industry as well as **rising postal costs** when she ceased publication on Feb. 5."


 [The Cape Cod Times](#) has told its readers that "The U.S. Postal Service is deep in the red. Projected losses for this year reach about \$7 billion. If nothing changes, that flow of red ink could extend to more than \$200 billion over the next 10 years. Long the target of those who see excessive waste and inefficiency in government agencies, the Postal Service is proposing another rate hike and perhaps the elimination of Saturday delivery service to close the budget gap. There are a number of suggestions that could streamline the Postal Service, making it more efficient and user friendly. No one is expecting the agency to make a profit, but costs could be at least contained if some of the following ideas were implemented. The post office should seize the new technology and allow individuals and businesses to use Postal Service sponsored e-mail accounts. The agency could add revenue by selling advertising on these accounts. Perhaps use discount coupons on the Internet to attract customers. Instead of decreasing service, look at offering mail service seven days a week. This could be done by shifting delivery points from post offices to places where people go, like supermarkets and malls that are open all week."

 [The Himalayan Times](#) has reported that "The advancement of telecom technology looks well on the path to render Nepal's Postal Services Department (PSD) out of business as people preferring placing phone calls and sending text messages or writing emails to their loved ones, friends and families to using the mail. According to PSD, the post offices nationwide today deliver about 55 per cent less packages of ordinary, registered and insured items, including small packets, parcels and money orders than what they did in 2006. And this has resulted in significant drop in the revenues."


 [Lanka Business](#) has reported that "Sri Lanka's state postal services lost 2.4 billion rupees in 2009 up from 2.1 billion rupees in 2008 while the mail use has stagnated at 21 letters per inhabitant, official data showed."


 [The Wall Street Journal](#) has reported that "The prolonged closure of European airspace could inflate freight costs and see transit warehouses closed to new business, one of the largest cargo handlers warned Sunday. The impact is expected to most keenly felt on just-in-time manufacturers who have run down inventories during the recession and rely more heavily on timely air cargo deliveries for production. The food and drug sectors are also large users of air cargo services, while the big package-delivery companies have seen their European services severely disrupted as hubs were shuttered by the volcanic ash cloud drifting across the region from Iceland."


April 17, 2010


 [The Postal Employee Network](#) has told its readers that "You've read numerous news articles lately telling everyone that postal employees earn about \$83k per year including benefits and that USPS, and the unions, should consider reducing the salaries of postal employees such as letter carriers, clerks, etc. However, according to a report


conducted by the USPS Office of Inspector General (OIG) postal executive pay is just fine postal executives do not earn too much income."

 [Highlands Today](#) on "5-day mail delivery?"

 As the [Bangor Daily News](#) has noted, "Chances are you will notice a change in the way the clerk at your post office will tell you what it will cost to mail your letter or package. It may be confusing or irritating at first, but there is a good explanation."

 The [Spokesman-Review](#) has reported that "The Do Not Mail resolution before the Spokane County commissioners, and soon to be before the Spokane City Council, makes good sense whether you are concerned about the environment or just tired of junk mail. And when you think through the few objections to it, it makes even better sense."

 According to one contributor to [CBS News](#), "The Postal Service's economic turbulence has fostered the fantasy that it is no longer necessary in an age when "warp-speed Internet" is constantly juxtaposed against "snail mail." Yet the USPS is anything but "an anachronism" on "a slow march into oblivion." It is a national treasure that provides an immense and irreplaceable public service. The scope and character of that service will change in the twenty-first century--ideally to provide a broader range of information, vote-by-mail systems, community services and even banking options to hundreds of millions of Americans who continue to rely on their local post office as the nerve center of their neighborhood or small town. But before any of this can happen, we must recognize that the Postal Service can and must remain public if we are to maintain the essential infrastructures of democracy."

 From [Business Wire](#): "Free trade key to sustainable growth In a speech to the U.S. Chamber of Commerce, Frank Appel, chief executive of Deutsche Post DHL, the world's largest mail and logistics company, said he is optimistic about initial signs of world economic recovery."


April 16, 2010

 We received the following communication from Kevin Kosar of the Congressional Research Service:



Thank you for your extensive coverage of the April 15, 2010 House hearing. I hope you do not mind me raising one issue with your coverage. The April 16 issue of the Postcom Bulletin stated, "While the Office of Personnel Management's witness, John O'Brien, attempted to justify the actuarial assumptions that underlaid these payments, even Phillip Herr of the Government Accountability Office (GAO), who in the past has always seemed at the ready to defend OPM's actuarial posture, acknowledged that the USPS' CSRS obligation had been more than fully met. The Congressional Research Service's Kevin Kosar reaffirmed Herr's statement that the obligation had been met" (p. 14).


When the official hearing record is published, I believe it will indicate that I did not reaffirm Mr. Herr's statement. Neither I nor my agency have assessed whether the USPS has met its CSRS pension obligations; nor, I would hasten to add, have my agency or I addressed the pros or cons of the OPM's current methodology for allocating CSRS pension obligations between the USPS and the federal government.


I did testify that the USPS Inspector General (IG) had claimed that OPM's methodology for allocating CSRS costs was inequitable; but, that the IG had not alleged the allocation to be illegal or at odds with the law. This being the case, I then suggested (as you observed in the Postcom Bulletin) that the issue of whether the current CSRS allocation is equitable ultimately is a decision for Congress to consider.


 [Print CEO](#) has noted that they were there for "the launch of a new Pitney Bowes product, Connect+ Customer Communications Series. The Connect+ Series is quite the breakthrough product. It is modular and completely field upgradeable, from black & red to full color, as well as speeds and other capabilities. It was developed in close collaboration with HP, who provided the industrial-grade inkjet and cloud computing technology. Basically, you can program this mega postage meter to print logos, return addresses, messaging, graphics and the postal indicia in a single pass across the top of a blank envelope, with a length up to 15 inches."

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

 [Yahoo! News](#) has reported that "When it comes to today's e-reader displays, it's all about trade-offs. The Kindle's "e-ink" screen does a great job at displaying text on a page, even under direct sunlight but it's black-and-white only, and it takes a second or two to turn a page. The iPad's LCD display pops with glorious, vivid color and refreshes fast enough for video, but good luck viewing the backlit screen in the great outdoors. Now comes word of Dutch e-paper company Liquavista, which claims it's on track with a color e-reader screen that combines the respective virtues of the Kindle's e-ink display and the iPad's LCD screen: reflective enough for viewing in broad daylight, yet fast enough to display video at up to 60 frames per second." Check out the video on the [BBC web site](#) .

 [Chicago Now](#) has reported that "**Union contracts are killing the U.S. Post Office**, making it uncompetitive and driving costs through the roof according to the Government Accountability Office."

 [Publishing Executive](#) has reported that "Reed Business Information will shutter 23 trade publications it has not been able to sell, it was announced today in a memo from RBI CEO Keith Jones to company employees. These titles are: Building Design+Construction, Chain Leader, Construction Bulletin, Construction Equipment, Consulting-Specifying Engineer, Control Engineering, Converting, Foodservice Equipment & Supplies, **Graphic Arts Blue Book, Graphics Arts Monthly**, HOTELS, **Logistics Management**, Material Handling Product News, Modern Materials Handling, Plant Engineering, Professional Builder, Professional Remodeler, Purchasing, Restaurants & Institutions, Semiconductor International, Spec Check, Supply Chain Management Review and Tradeshow Week."

 [Dow Jones](#) has reported that "Logistics services and express parcel operators in Europe have turned to trucks to keep delivery delays to a minimum and limit the impact of the air traffic disruption in northern Europe, company officials said Friday, but much of the goods normally air lifted between Europe and the rest of the world won't move until restrictions are lifted."



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

- Postmaster General Jack Potter during his keynote address on April 12, 2010, at the National Postal Forum in Nashville, TN, stressed the need for the entire postal industry to work together to meet the challenges facing the Postal Service.
- The U.S. Government Accountability Office (GAO) has issued its long-awaited report on the U.S. Postal Service. GAO noted that "[a]ction by Congress and USPS is urgently needed on a number of difficult issues to facilitate progress toward USPS's financial viability by reducing costs, increasing efficiency, and generating revenues....If no action is taken, risks of larger USPS losses, rate increases, and taxpayer subsidies will increase."
- According to Deadtree Edition, "The news media are focusing on other aspects of the GAO's report, such as its support for giving the USPS the power to eliminate Saturday delivery, close post offices, and reduce its workforce. But three other significant recommendations in the report are escaping the headlines."
- Now that the Government Accountability Office report is out it is time for Congress to get down to the serious business of re-evaluating the current business model and regulatory framework. Congress is starting this process with hearings in the House and Senate, this week and next. In preparing for these hearing, members on the relevant committees have a significant challenge preparing for the postal and other governmental witnesses.


- According to the President of the National Association of Letter Carriers, "GAO ignored Congress....Instead of the report requested by Congress, GAO has issued a full-throated attack on collective bargaining, our contractual COLA clause, our contractual limits on contracting out, our contractual protections of full-time career positions."
- The frustration surrounding the fiscal dilemma in which the U.S. Postal Service (USPS) finds itself was rather apparent at Thursday's postal oversight hearing before the House Subcommittee on Federal Workforce, Postal Service, and District of Columbia. The exchanges between those on the dias and those testifying before them sometimes evidenced a heat that has often been absent from previous hearings of this type.
- Deadtree Edition has reported that "mailers are likely to challenge the U.S. Postal Service's ability to raise postal rates by more than the rate of inflation next year."
- The President of the National Rural Letter Carriers Association has written to the Postmaster General to express the "serious concerns of the Association's National Board concerning the Postal Service's recent publicity regarding its five-day delivery proposal. We believe that such publicity has had the unfortunate effect of misleading its employees and the American public in several important respects. Initially, we believe the Postal Service has unrealistically led the public and its workforce to believe that the inevitable date has already been set to implement five-day delivery. The Postal Service publicity blitz fails to acknowledge the huge practical reality that five-day delivery cannot happen without Congressional approval. We think it is extremely unrealistic to believe that such approval is likely to happen anytime soon."
- If you think that those in the know on Intelligent Mail barcode (IMb) would not learn anything new at this week's National Postal Forum...you might be surprised. Among the updates given by the USPS on IMb at the Forum were announcements that it plans to implement Release 4 for Full-Service IMb in November and that in November it also will start assessing additional postage for non-compliance with some IMb Full-Service requirements and address correction notice time limits.
- The USPS throughout its National Postal Forum touted its experience with the 2010 Census Bureau mailings as the poster child for Intelligent Mail barcode Full-Service success. It said that use of Full-Service IMb and an agreement on handling Undeliverable-As-Addressed (UAA) pieces in the Census mailings saved the USPS and Census Bureau about \$7 million each.
- Kathy Siviter, President of Postal Consulting Services, Inc., takes a post-Forum look at Intelligent Mail barcode Full-Service adoption.
- In a joint session at the National Postal Forum earlier this week in Nashville, TN, the USPS talked about some new products and marketing partnerships it is introducing, as well as pricing initiatives planned for 2010 and 2011.
- The U. S. Postal Service on April 9, 2010, announced its plans to test a direct-mail product sampling strategy using a variety of samples in a co-op box. The first test box includes assorted beauty, health and snack food items from multiple consumer packaged goods companies. The boxes will be branded with the USPS logo and include the tagline: A selection of free product samples.
- The USPS earlier at this week's National Postal Forum session shared for the first time detailed data from the surveys it conducted with consumers and business customers on the concept of 5-day delivery.
- While Postmaster General Jack Potter told the opening session crowd at this week's National Postal Forum that the Postal Service is still exploring its options, in terms of filing an exigent rate case, that message was not carried in many of the Forum workshops, and even the Postmaster General himself was more definitive about the prospect of an exigent case in his remarks in other sessions.
- The National Postal Forum held earlier this week in Nashville, TN, included a Flats Track for Periodicals, Catalogs and Printers, where the USPS and industry provided a variety of updates and educational sessions for flats mailers. Speaking at one session, USPS senior vice president of operations Steve Forte said the USPS is committed to both value and affordability of flats going forward.
- USPS tests new home delivery of samples. New MTAC working group. UPS earnings improve. Pub 363-to-be posted online. PostCom Chair appoints committee heads.
- PostCom Postal Podcasts
- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.


- A review of postal news from around the world.
- Postal previews


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





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 [Federal News Radio](#) has reported that "The United States Postal Service is facing some difficult challenges when it comes to its budget. Federal News Radio told you on Monday that the Government Accountability Office released a report which said that the Postal Service would need to make deeper job and wage cuts if it is going to remain viable in the 21st century. Phil Herr is director of Physical Infrastructure Issues at the GAO and explained that the report syncs with a recent report done by the Postal Service itself."


 The [Courier, Express, and Postal Observer](#) has posted a summary of the topics discussed in a recent PostCom Postal Podcast.

 The [Courier, Express, and Postal Observer](#) has reported that "Last month, PowerDirect, a California company that manages a nationwide network providing door delivery of advertising introduced a new direct-to-door, co-op polybag media program announced that it will launch its service in Las Vegas on July 3. PowerDirect like other firms trying to compete with the Postal Service for a share of the market for delivery of print advertising to households is a firm focused on local delivery of advertising. Their business model allows them to compete with the Postal Service on both a price and service basis. The success of these firms suggests there is a business model that allows for home delivery of advertising at below \$1 per stop and more than likely at a cost that makes their advertising products competitive with Postal Service delivery. This business model is not the model of FedEx, UPS that shifts parcels going to remote locations and those that generate less than \$3 to \$4 in revenue to the Postal Service through their services integrating pick-up and transportation to near destination by UPS or FedEx and delivery by the Postal Service."


 As the [Belfast Telegraph](#) has noted, "Royal Mail's operating profit increased to 321m in 2009 from 162m the previous year. First and Second Class Letter targets were also hit along with key business mail targets and a raft of modernisation and efficiency measures were introduced. But competition from electronic media and other postal operators intensified, meaning mail volumes fell by 5.5% during the year and there is an expectation of further decline in the year ahead. Royal Mail said its transformation of the business is well underway and on track to ensure it has the modern operation for the future. However, the level of change implemented in Royal Mail was higher than in any previous year and as a result the company faced a series of strikes in autumn 2009 over pay and plans to modernise the postal service. More than 35 million items of mail around the UK were delayed."


 According to the [Tampa Tribune](#), "We don't buy that government should always run like a private business. It depends on what's being talked about. Schools cannot run like a business, and neither can prisons, although both are always being talked about. One entity that can, though, is the U.S. Postal Service, and it must."


 The [Washington Post](#) has reported that "As Postmaster General John E. Potter met with lawmakers Thursday to discuss his plans for restructuring the U.S. Postal Service, he acknowledged that the mail agency could further reduce its workforce....But how the Postal Service should change remains open to debate."


 The [Atlanta Business Chronicle](#) has reported that "United Parcel Service Inc. wants to help customers get greener with their packaging and packaging processes. Read more: UPS begins eco-friendly packing program." See also [Trading Markets](#).


April 15, 2010



 According to [MYCE](#), "Blockbuster is testing its latest attempt at an online video game rental service in a select city in the United States, even though similar attempts from the movie rental company have failed in the past. The struggling company has the Games by Mail service available to Cleveland-area Blockbuster Online customers. The service offers video games for the following game consoles: Sony PlayStation 2 and 3, Microsoft Xbox 360, and Nintendo Wii."

 The [Washington Post](#) has reported that "As Postmaster General John E. Potter met with lawmakers Thursday to discuss his plans for restructuring the U.S. Postal Service, he acknowledged that the mail agency could reduce its workforce further."

 [Reuters](#) has reported that "Lawmakers discussing the dire state of the U.S. Postal Service's finances voiced concerns on Thursday over plans to cut Saturday delivery and close post offices in certain areas."

 [Government Executive](#) has told its readers that "Rep. Darrell Issa, the ranking member on the House Oversight and Government Reform, went after the size of the federal workforce in general this morning at the opening of a hearing on the sorry financial state of the Postal Service. He claimed that the Postal Service has "more or less" a third more workers than it actually needs, and while insisting that he wants to support Postal workers and make sure they're fully employed, is making no bones about the fact that he thinks the federal government is overstaffed."

 As [The Economist](#) has noted, "The mood at the National Postal Forum, the industry's annual gathering, which took place this week in Tennessee, was sombre. John Potter, the postmaster-general, made no bones about USPS's problems."

 On Thursday, April 15, 2010, the [House Committee on Oversight and Government Reform held a hearing](#)  to examine the status of the Postal Service and recent reports on short and long-term strategies for the financial viability and stability of the United States Postal Service (USPS). The hearing titled: Continuing to Deliver: An Examination of the Postal Service's Current Financial Crisis and its Future Viability examined three recent reports on the future of the Postal Service.

Witnesses:
PANEL I

[Mr. John E. Potter](#), Postmaster General and CEO United States Postal Service
[Mr. Phillip Herr](#) Director, Physical Infrastructure Issues United States Government Accountability Office


- [GAO Summary: U. S. Postal Service: Action Needed to Facilitate Financial Viability](#)
- [GAO Report Highlights: U. S. Postal Service: Action Needed to Facilitate Financial Viability](#)
- [GAO Full Report: U. S. Postal Service: Action Needed to Facilitate Financial Viability](#)


PANEL II


[The Honorable Ruth Goldway](#), Chairman Postal Regulatory Commission
[Mr. David Williams](#), Inspector General, Office of Inspector General United States Postal Service
[Mr. John O'Brien](#), Senior Advisor to the Director U. S. Office of Personnel Management
[Mr. Kevin Kosar](#), Analyst Congressional Research Service


See also


- [Ideas For Positive Change In The Future Of The U.S. Postal Service](#) (PRC Chairman Goldway)

 [InsuranceNewsNet](#) has reported that "The decision by Prime Minister Yukio Hatoyama and his Cabinet to roll back postal privatization has infuriated private financial institutions that assume there won't be a level playing field if the government keeps its stake in Japan Post's savings and insurance units."

 According to the [Barcelona Reporter](#), "The planned privatisation of (parts of) the Spanish Postal Service has led to unrest among its employees, who are threatening a general strike starting June 10th if no concessions are made at the negotiating table. A couple of thousand postal workers, supported by the Unions, took to the streets in Madrid Thursday to voice their dissatisfaction with government plans."

 The [President of the National Rural Letter Carriers Association](#) has written to the Postmaster General to express the "serious concerns of the Association's National Board concerning the Postal Service's recent publicity regarding its five-day delivery proposal. We believe that such publicity has had the unfortunate effect of misleading its employees and the American public in several important respects. Initially, we believe the Postal Service has unrealistically led the public and its workforce to believe that the inevitable date has already been set to implement five-day delivery. The Postal Service publicity blitz fails to acknowledge the huge practical reality that five-day delivery cannot happen without Congressional approval. We think it is extremely unrealistic to believe that such approval is likely to happen anytime soon."

 [Printweek](#) has reported that "The direct marketing industry is well ahead of its recycling targets, following the announcement that 76.5% of direct mail material was recycled last year. The figure, recorded in the first Direct Marketing Material Prevention Report on industry performance, far surpasses the 2009 target of 55% and the 70% goal for 2013."


 The [Wall Street Journal](#) has reported that "United Parcel Service Inc. said its first-quarter earnings jumped a better-than-expected 33%, in another sign of improvement in shipping, a bellwether of the broader economy. Disclosing its results two weeks early, UPS said on Wednesday that growth was powered by a "significant acceleration" in international shipping with daily volumes up 18% in the quarter compared with a year ago. U.S. daily shipping volumes rose less than 1%, but that is the first increase in U.S. volume reported by the company in two years." See also [Reuters](#).


April 14, 2010



[Welcome to PostCom Radio](#)


Join PostCom President Gene Del Polito, Jerry Cerasale (Senior Vice President, Governmental Affairs, Direct Marketing Association), and Tony Conway (Executive Director, Alliance of Nonprofit Mailers) in a discussion about some new business ideas, the likelihood of an exigency postal rate increase, and prospects regarding collective bargaining and binding arbitration.

 The [Financial Times](#) has reported that "Ken Clarke, shadow business secretary, vowed to defend Britain's liberal takeover regime yesterday as he set out Conservative plans for a laissez faire approach to business based on low taxes, deregulation and less state support. A Tory government, he said, would complete the privatisation of Royal Mail. The Tories had "no ideological hang up" about selling off the postal operator in its entirety, if that seemed the most sensible approach."


 From [PR.com](#): "PC to Mobile text messaging service, ZapitSMS, is being increasingly favoured by businesses large and small as a tool to enhance their current communication systems. The new decade has signaled the need for system upgrades for many companies around the world. And with the rise of using SMS from PC s, there is a clear preference for internet and mobile phone technology over landline telephones and postal mail."


 [Multichannel Merchant](#) has reported that:


- If you don't want to get whacked with high postal rates, you need to communicate to Congress what a price increase will mean to your business, according to [Gene Del Polito](#), president of the Association for Postal Commerce.
- [Deputy Postmaster General Pat Donahoe](#) told attendees of the National Catalog Forum that we need action around catalogs. With talk of an impending exigent rate case next year, Donahoe said it's imperative that the U.S. Postal Service receives resolution involving two key issues: the requirement for the USPS to annually prefund about \$5.4 billion from its operating budget for retiree health benefits an annual payment through 2016 as dictated by the 2006 Postal Reform legislation. What's more, the USPS needs Congress to approve five-day mail delivery that would save the Postal Service about \$3.1 billion in the first year and as much as \$5.2 billion by 2020. We've lost way too much volume in the system, Donahoe said.


 [Bernama](#) has reported that:


- [Pos Malaysia Bhd](#) will be offering new services and investing in its operation side to boost revenue this year and turn the company around, its group managing director, Datuk Syed Faisal Albar said.
- [Pos Malaysia](#) on Wednesday said it would be necessary to increase the price of domestic postage stamps in order to cope with current times. The current challenging economic conditions can decrease our business sustainability and operational efficiency, said its Group Managing Director and Chief Executive Officer, Datuk Syed Faisal Albar in a statement here. If Pos Malaysia does not increase the price, it will continuously incur operational loss of RM20 million annually starting from this year, he said.


 [Nikkei](#) has reported that "Japan Post Bank announced Wednesday that it will offer mortgage loans throughout the country from next month as part of its alliance with Suruga Bank (8358). As a Suruga Bank sales agent, Japan Post Bank now offers the loans at 50 branches in the Tokyo, Osaka and Nagoya areas. This network will be expanded to 82, starting May 10. Branches offering student and auto loans will also be increased."

 According to [Euronews](#), "If you are not happy with the mail, you are not alone: Postal workers have been demonstrating outside the European Parliament in Brussels, demanding an end to liberalisation of their sector. They say the switch from publicly funded postal systems to private ownership leads to less pay, unemployment and poorer working conditions and unequal treatment of customers. The 3rd postal directive is set to usher in further privatisation of postal services across Europe."

 [WRGB](#) has reported that "The post office now knows why it was so late in delivering thousands of New York state pension checks to waiting retirees in January. An internal review released Wednesday shows the checks were put in with the bulk mail instead of first-class mail at an Albany processing and distribution center. But they never left the state, as was first thought. Some of the 60,000 pension checks issued Dec. 30 took more than two weeks to reach their destinations."

 The [Japan Times](#) has reported that "The decision by Prime Minister Yukio Hatoyama and his Cabinet to roll back postal privatization has infuriated private financial institutions that assume there won't be a level playing field if the government keeps its stake in Japan Post's savings and insurance units." Check out the [Japan Times](#) version of Japanese postal reform's Who's on first? And the [chronology of Japan Post's privatization](#).

 [Fox11AZ](#) has reported that "Four Phoenix-area locations of a telemarketing company with a history of consumer complaints have been raided by the U.S. Postal Inspection Service."


 [Advertising Age](#) has reported that "British Prime Minister Gordon Brown has stood up to Rupert Murdoch in an attack on one of Mr. Murdoch's priorities: pay walls for news websites. "I don't think you are going to be able to put things behind pay walls in the way that people think," Mr. Brown said."




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 this report, please contact Agapi Doulaveris at 703.248.2286. [**Color-Coding of Standard Mail and Mail Condition Reporting at the Albany Processing and Distribution Center \(Report Number NO AR-10-005\)**](#). Opportunities exist at the Albany P&DC to improve color coding as well as the counting and reporting of delayed mail. Once proper color-coding procedures were brought to the attention of new management at the facility, they developed an action plan to ensure employees received color-code training.

 Goodies from [Target Marketing](#) magazine:

- [Is Your Direct Mail Optimized for Maximum Postal Savings?](#)
- [3 Reasons to Resurrect the Lift Letter](#)
- [5 Ways Direct Mail Marketers Can Mix It Up](#)

 The [Courier, Express, and Postal Observer](#) has reported that "Tomorrow, the House Oversight and Government Reform Committee will receive testimony on three reports detailing changes requiring congressional or regulatory action. All three reports present changes that are designed to allow the Postal Service to retain its status as a self funding government enterprise." The big question is: Who pays?

 Postal news from [Hellmail](#):


- [French Postal Regulator Muses Weight Pricing](#)
- [An Post Launches Customer Charter](#)
- [CWU Dave Ward - Voting No To Agreement Not Alternative To Change](#)





From the Federal Register:

Postal Regulatory Commission NOTICES


New Postal Product ,
19434 19435 [2010 8460] [\[TEXT\]](#) [\[PDF\]](#)


 According to the [National Association of Letter Carriers](#), "GAO ignored Congress....Instead of the report requested by Congress, GAO has issued a full-throated attack on collective bargaining, our contractual COLA clause, our contractual limits on contracting out, our contractual protections of full-time career positions."


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


 TNT prepares for a fundamental restructuring and doesn't rule out the disposal of its Mail division any more.


 Plans to privatise Royal Mail are abandoned for the present.


 Spanish unions CCOO, CSIF and CGT called for a protest rally in Madrid on Wednesday this week. The protests are against a cut-back policy and for a secure postal funding.


 Mail Boxes Etc. (MBE) is focusing on winning over Austrian Post's privately run PostPartner shops as franchisees.


 Postal service provider Francotyp-Postalia (FP) has taken over Ricoh's franking machine business in Sweden.


 Posten Norge AS intends to create operating synergies and an improved market position in Scandinavia by a new organisational structure. In the future part of the Distribution Network division will be assigned to the Mail division and therefore be responsible for customers and production.

 Swiss Post has widely terminated its excursion into the working clothes business.


 Australia Post wants to suspend door-to-door deliveries in outer metropolitan areas in the long term. Mail will be delivered to so called community hubs with as many as 1,200 post boxes instead. Customers will receive a SMS, if they have mail to collect.


 Brazilian post ECT (turnover 2008: 4.4bn euros) wants to increase its business activities in the express and logistics sector. Market observers expect ECT to start with the development of its long-awaited own airline this year.

 Recipients of conveyed goods in Germany may enforce any claims directly against the subcontractor if the goods are damaged or lost.

 TNT revises its market presence in Brazil. The company announced that Expresso Ara atuba (revenue 2008: around 102m euros) which was acquired in spring 2009 (KW 17/09) will operate under the brand of TNT Ara atuba in the future. All services, from road haulage to domestic air cargo will be offered under the new brand name.


 An initial public offering is apparently back on Belgian La Poste s agenda.

 In addition to current part- and full-load services, Itella launched scheduled groupage consignments between Finland and Russia in March. Furthermore a domestic less than truckload service will also be launched in Russia later this year, according to an announcement last week.


 TNT s management took a blow from shareholders on the general shareholder s meeting. Against the management s resistance shareholders decided that the members of the board will be elected by stockholders and not by the supervisory board in the future.




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](#) has reported that "ARCEP, the French postal regulator, this week closed a public consultation to examine the methods used to ascertain postage costs and to decide whether new rules should be adopted that better reflect the weight and size of posted objects. The Authority has previously made it clear that 'weight' deserved to be better supported, and, based on the evidence gathered during the consultation, including input from French operator La Poste, ARCEP is expected to make a decision on whether weight and size pricing calculations should be revised."


April 13, 2010


 From [Business Wire](#): "FedEx Office, an operating company of FedEx Corp. , has formed an alliance with Canon U.S.A., Inc., a subsidiary of Canon Inc. and HP to create an unmatched network of printing and imaging capabilities, giving customers access to leading-edge technologies and a state-of-the-art machine fleet. These new solutions enable FedEx Office to offer individuals and business customers a better, faster, more flexible and environmentally smarter way of creating, customizing, printing and distributing their materials--transforming the retail printing experience."


 One writer for [The Guardian](#) expressed how "We've just received our ballot papers for the agreement which was negotiated between the Royal Mail and the CWU following last year's strikes. Obviously this isn't the ballot that is on most people's minds at the moment, but the outcome of it could have serious implications for your postal delivery


service, regardless of which party comes to power in the general election. The negotiations took over four months, and it has taken another month or more to prepare the ballot. The overwhelming mood among delivery staff at least if you read the forums seems to be one of rejection. Up to 35,000 delivery workers will be worse off, having to take an immediate pay-cut in the abolition of door-to-door payments, and their replacement by a flat-rate supplement."


 The [Courier, Express, and Postal Observer](#) has told its readers that "Now that the Government Accountability Office report is out it is time for Congress to get down to the serious business of re-evaluating the current business model and regulatory framework. Congress is starting this process with hearings in the House and Senate, this week and next. In preparing for these hearing, members on the relevant committees have a significant challenge preparing for the postal and other governmental witnesses."

 The [Guernsey Press and Star](#) has reported that "potential rivals to Guernsey Post are already conducting trials in the island, according to GP chief executive Gordon Steele. I can assure you that Swiss Post, DHL, TNT, Citipost and others are all active in Guernsey right now conducting trials, working with the bulk mailers, looking to take business away from us, he said. He said those companies were poised to take trade from the States-owned utility if it lost its court appeal against the Office of Utility regulation s decision to reduce the price level of the reserved area to 1 and exclude packets from that control."

 The [XML Journal](#) has reported that "Stamps.com , the leading provider of postage online and shipping software solutions to approximately 400,000 customers, today announced that it will continue to enable unlimited batch shipping from eBay Stores without any service fees to new customers who sign up before October 1, 2010."

 [Media Daily News](#) has reported that "There was something to all the talk about iPad being being a publishing savior. Zinio, which creates digital versions of magazines for print publishers, revealed that its Magazine Newsstand and Reader is the No. 1 free news app downloaded by new iPad owners -- besting competing apps from USA Today, The New York Times, BBC News, NPR and The Wall Street Journal."


 The [Borneo Post](#) has reported that "Pos Malaysia Bhd (Pos Malaysia) recently disclosed further details on its new tariff structure and also cautioned that street estimates on revenue had been optimistic, as discounts on bulk mails were not taken into account. According to OSK Research Sdn Bhd (OSK Research), including this into its volume assumptions of the group for this and next year arrived at a lower yield per mail. Additionally, the revised lower yield per mail estimate by five per cent and 17 per cent effectively reduced its total top-line by between four per cent and 10 per cent. In the meantime, the research house s 2012 numbers were cut by six per cent on the back of a slight increment in volume lifted by direct mail and parcels."


 [National Newspaper Association](#) (NNA), a community newspaper organization of over 2,000 members, has filed its formal opposition to the United States Postal Service s proposal to end Saturday mail delivery. NNA has intervened on behalf of its newspapers in a proceeding before the Postal Regulatory Commission, which will issue an advisory opinion later this year on ending Saturday mail.




[Welcome to PostCom Radio](#)

Join PostCom President Gene Del Polito and Grayhair Software Vice President Angelo Anagnostopoulos in a discussion of mailing and Software as a Service (SaaS).


 According to the [Desert Dispatch](#), "The role of the U.S. Postal Service is being overtaken by the times and technology and, to its credit, its leaders are advocating a strategy for change. Whether the nation's largest bureaucracy actually can move on any of these proposals is another question. Congress should help them along."


 According to the [Washington Examiner](#), "Back when Barack Obama was pushing for a public option in the new national health care system, he raised eyebrows with an out-of-nowhere remark about the U.S. Postal Service. Obama's words are coming back now, with news that the Postal Service is in even more of a mess than we


thought. Without serious reform it's set to lose \$7 billion this year and \$238 billion over the next 10 years, and a new report from the Government Accountability Office says the Post Office's business model is "not viable" given current business conditions. The report makes the Post Office sound like a government version of General Motors, if General Motors itself weren't already a government version of General Motors."


 [DM News](#) has reported that:

- [Pitney Bowes](#) unveiled a new printing technology product this morning at the National Postal Forum in Nashville. Dubbed the Connect+ Customer Communications Series, it enables mailers to print high-resolution graphics and messages in color or black ink on the outside of mailing envelopes. The print technology was developed in collaboration with HP. Connect+ will also enable mailers to create highly customized communications cost-effectively and efficiently, according to Pat Brand, president of US Mailing at Pitney Bowes. He said Connect+ moves beyond mere operational efficiency.
- [Hallmark](#) has launched the Postage Paid Greetings card line with the US Postal Service. The company announced the product at the National Postal Forum conference on April 12, during the general session. The line of greeting cards has Intelligent Mail Barcode (IMB) technology that allows customers to buy them with pre-paid first-class postage. Customers' payments are linked to cards as they enter the mail stream. We think this is a pretty innovative use of [USPS'] IMB technology, said Cindy Mahoney, VP of product development at Hallmark Cards. The Postal Service will count the number of pieces of mail as they enter the mail stream and enable us to track it.
- [Other major companies](#) also announced initiatives with the USPS. The Walt Disney Co. Has created a television commercial that will begin airing in mid-May featuring Toy Story 3 characters discussing Priority Mail. Walmart has also partnered with the Postal Service to feature Priority Mail in its pharmacy marketing, including a spot that depicts Walmart pharmacists discussing the USPS' free shipping alternative for prescriptions.


 [YLE](#) has reported that "Post employees say electric bicycles ease the burden when making deliveries. About 1,500 delivery workers at postal service Itella use a bicycle at work. About one third have switched to electric bikes."

 [Balkans.com Business News](#) has reported that "Battle of the quality of postal service letters, is now almost on par with that of the European Union" - that was one of the expert assessments of Post Audit Europe, who visited Albania the beginning of this month. The Post Audit Europe monitored the quality of service in Albanian Mail for the period 2007-2009."

 The [Wall Street Journal](#) has reported that "A Dutch higher court ruled Tuesday that competitors of mail and express-delivery company TNT NV should treat postal workers according to the minimum social standards agreed when the Dutch postal market was liberalized. The ruling is a windfall for TNT's mail division, which is facing rising competition after the liberalization of the Dutch mail market in April last year."


 Postal news from [Hellmail](#):

- [Norway Post To Merge Mail And Distribution Divisions](#)
- [Lucid Attracts New Strategic Investment From GI Solutions Group](#)
- [Wrong Delivery Addresses Cost Businesses 146m](#)
- [DX Group To See 15m Equity Injection And Management Buy-In](#)

 [The Age](#) has reported that "Just months after its first request was sent back marked "return to sender", Australia Post has again asked the competition watchdog for the right to bump up the cost of posting a standard letter by five cents to 60 cents. In its latest application, Australia Post said it now expects letter volumes to fall 5.8 per cent this financial year, greater than the 2.3 per cent fall it expected when it applied last year. For next year, it now expects

the number of letters delivered to fall by 4.3 per cent. Submissions to the review of prices can be made until the end of April."

 [National Association of Major Mail Users](#), Toronto Chapter Meeting, May 6, 2010, The Metropolitan Hotel . 108 Chestnut Street . Vancouver Room 8:00 a.m. Continental Breakfast 8: 45 a.m. 12:15 p.m. Program



 The [address by the Postmaster General](#) at the National Postal Forum in Nashville, TN has been posted on this site.




A new report has been posted recently on the *U.S. Postal Service Office of Inspector*


General website (<http://www.uspsoig.gov/>). If you have


additional questions concerning this report, please contact Agapi Doulaveris at 703.248.2286. [Fiscal Year 2009 Information Systems General Computer Controls Capping Report \(Report Number IS-AR-10-005\)](#)


  A [Bloomberg](#) interview with Postal Regulatory Commission Chairman Ruth Goldway.


April 12, 2010

 [9News](#) has reported that "Colorado taxpayers are set to save hundreds of thousands of dollars thanks to a new program conceptualized in one of the state's mailrooms. Since January, Colorado state government has had access to the U.S. Postal Service's change of address database and expects to dramatically cut down on the pieces of mail it regularly sends to bad addresses."

 From [MarketWatch](#): "InfoPrint Solutions Company, a joint venture between IBM and Ricoh, has announced the launch of its latest Automated Document Factory (ADF) software component, InfoPrint Mail Insight. This is an extension of the InfoPrint ProcessDirector (IPPD) workflow software, a market-leading ADF technology platform that connects and automates communication processes into a single point of control."

 **Press Release:** "B WE BELL + HOWELL has announced that industry expert Hank Martin has joined the company as vice president, Postal Software Marketing. Martin brings more than 25 years of experience to the company, most recently with AVI, and prior to that with postal software provider Firstlogic."

 [Business Week](#) has reported that "The U.S. Postal Service's plan to eliminate Saturday mail delivery is not a done deal, the chairman of the Postal Regulatory Commission said in pledging to present a case for maintaining current levels of service. The panel is considering a proposal from the Postal Service, which it oversees, to reduce deliveries to five days a week from six as one step to shave a \$238 billion budget deficit the post office forecasts by 2020. It is not a done deal, Chairman Ruth Goldway said today in an interview at Bloomberg's Washington office. I'm afraid the public is confused by the barrage of announcements made by the Postal Service. The commission will issue a non-binding advisory opinion on the proposal after public hearings this year. Goldway said her panel would use its legal authority to force post office compliance with service requirements if the commission advises against cutting deliveries and the recommendation is ignored."

 The [Government Accountability Office](#) has published its report on the need to change the business model that underpins the U.S. Postal Service.


 **Press Release:** "U.S. Postal Service to Test Direct-Mail Product Sampling Postal-Branded Co-op Effort Designed to Share Marketers Costs, Drive Mail Revenue."





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


- **Is It Time to Re-evaluate the Retail Network?** In May 2009, the Postal Service began a national initiative, known as retail optimization, to consolidate its retail stations and branches in urban and suburban areas. What retail optimization and consolidation efforts are stakeholders most likely to support during these challenging times?


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


 The Isle of Man Newsroom has reported that "The Board of the Isle of Man Post Office has appointed Mike Kelly, Chief Operating Officer, as Acting Chief Executive Officer for the next six months."


 Reuters has reported that "Plans to sell part of Britain's state-owned Royal Mail postal service could be revived in the future, Business Secretary Peter Mandelson said on Monday, denying that the idea had been shelved for good."

 The BBC's business editor has said that "It looks to me, from the manifesto, as if Labour has completely dropped its commitment to privatise Royal Mail in whole or part. Royal Mail would stay in the public sector under Labour. The CWU union, big donors to Labour, have won that battle."


 BIKE Europe has reported that "In order to extend their bike park for postal delivery DHL Global Mail has chosen a bike of the CarGo product line made by Accell Pro. The CarGo products are developed for heavy duty professional bike usage for instance at postal organisations. One of the special features is the newly developed carrier kickstand. Besides easy and stable parking, the kickstand allows postman to easily slide the bike along while delivering the post. The choice for the CarGo bike applies to one of business principles of DHL Global Mail; quality. Thanks to the easy usage and high reliability of the bike the process of delivering is furthermore optimised."


 From PRWeb: "FollowUs, the UK's leading mobile phone tracking service, has launched its low-cost GPS tracking ME. The GPS ME makes tracking people much more accurate, cost-effective and user friendly. It is unique because it has every UK address loaded into its memory and gives you its precise postal location when asked within seconds."

 The Washington Post has reported that the Government Accountability Office has concluded that "The U.S. Postal Service's current business model "is not viable," and **the mail agency should make deeper job and wage cuts, hire more part-time staff and consider outsourcing some operations**, according to a draft of a government audit acquired by The Washington Post. Auditors also urge Congress to **remove restrictions on the Postal Service's ability to close post offices and cut Saturday mail delivery**, according to the report, which offers recommendations similar to those proposed in the USPS's 10-year business plan. Auditors appeared to push beyond the USPS proposal. "If no action is taken, risks of larger USPS losses, rate increases and taxpayer subsidies will increase," the report said. The Postal Service should provide more lucrative incentive packages to potential retirees in efforts to **accelerate attrition**, auditors said. They also recommended that USPS **consider outsourcing more delivery routes and mail services to contractors**, as well as **concessions on wages and benefits from its labor unions** during negotiations later this year."


 The House Subcommittee on Federal Workforce, Postal Service, and District of Columbia will be holding a hearing on "Continuing To Deliver: An Examination Of The Postal Service's Current Financial Crisis." 2154


Rayburn House Office Building (10:00 AM). Webcast on the day of the event: http://groc.edgeboss.net/wmedia-live/groc/24580/300_groc-oversight_070924.asx


 [ChannelOnline.tv](#) has reported that "Jersey's Economic Development Minister is coming under pressure to allow more time to consider the impact of stepping up postal service competition. The regulator intends to licence two new operators to vie for business alongside Jersey Post."


 The [Postal Employees Network](#) has posted a piece comparing postal compensation with that of some of its competitors.


April 11, 2010


 The [Fredericksburg Free Lance-Star](#) told its readers that "While initial reaction from the general public has been relatively positive toward the five-day delivery schedule, some of the biggest commercial mailers are expressing concerns. Operations such as Netflix and newspaper publishers have voiced concerns that this change to the USPS delivery schedule would have a negative impact on their business. It's kind of ironic that this option, which makes the most sense as a cost-cutting measure, negatively impacts some of the USPS' biggest customers."

 The [Financial Times](#) has reported that "Camelot, the National Lottery operator, which is planning to use its lottery terminals to offer customers extra over-the-counter services such as bill payments and mobile phone top-ups, yesterday denied it had overplayed support from the Post Office for the scheme."


 [Agenzia Fides](#) has reported that "The Italian Missionary Press Federation (also known as FESMI), which brings together some forty Italian newspapers for a total of about 500,000 issues per month, has made a statement expressing its protest to the interministerial decree of March 30, 2010 (published in the Official Gazette March 31, 2010, No. 75) that cancels special postal fares for all book publishers, newspapers, and monthly magazines."


 The [Canton Observer](#) has noted that "Canton residents are sharply divided over the U.S. Postal Service's proposal to end Saturday mail delivery to homes and businesses by early next year to combat a deficit projected to swell to \$238 billion by 2020, barring cost-cutting measures."


 According to the [Belleville News-Democrat](#), "Soaring debts and plunging revenue have led the U.S. Postal Service to begin lobbying Congress for permission to end Saturday mail delivery."


 The [Herald Sun](#) has reported that "postal deliveries could be scrapped and residents forced to collect mail from automated community post boxes under a new system. Australia Post has earmarked the system for outer metropolitan areas, outlining the changes in a 12-page brochure presented to councils, News Ltd says. Door-to-door services would cease and residents would travel to "community hubs" where as many as 1200 post boxes would be located. Swipe cards and pin codes would be used to open the boxes, which would be large enough to fit an A4 envelope. Residents would be notified by SMS text messages to their mobile phones that they had new mail to collect. Larger packages would be delivered to separate parcel boxes and notifications placed in regular post office boxes." See also the [Brisbane Times](#).


April 10, 2010


 A writer for the [Forum of Fargo-Moorhead](#), "It s time for the U.S. Postal Service to wise up. UPS has saved millions by having their drivers turn in one direction ... seems so simple, yet I can t remember any changes made by the U.S. Postal Service other than increasing the cost of postage."

 The [Vancouver Sun](#) has reported that "Canada Post will cut 68 jobs in Victoria as it forges ahead with plans to truck mail from Vancouver Island to Vancouver for sorting. The jobs will be eliminated at the Victoria sorting plant through attrition as people retire or move to vacant positions, company spokesman John Caines said in a prepared statement. No full or part-time employees will face layoffs, he said."

 The [BBC](#) has reported that "Call to halt new post competition in Jersey Two new postal providers have been given permission to operate in Jersey A Jersey politician has called for plans to increase postal service providers in the island to be halted. The Jersey Competition Regulatory Authority (JCRA) has ruled Citipost and Hub can handle large letters in competition to Jersey Post.:"


 [DM News](#) has reported that "The US Postal Service will test a home delivery product sampling program next month to determine if the service could be a revenue source for the financially strapped organization. Samples Co-Op Box deliveries will contain various health, beauty and snack food products from multiple consumer packaged goods companies, which will share the postage costs. The USPS is working with Start Sampling Inc. on the initiative, according to Marc McCrery, executive manager for the Postal Service's sampling program."


 The [Memphis Commercial Appeal](#) has reported that "FedEx Chairman, CEO and president Frederick W. Smith received the 2010 John Wooden Global Leadership Award from the UCLA Anderson School of Management ."

 The [Financial Times](#) has reported that "TNT, the Dutch mail and express delivery company, yesterday unveiled plans to spin-off its mail operations in preparation for a possible partnership with a rival or a listing of the business. The group has been under pressure since late last year from two activist shareholders who believe splitting the mail business from the express division would create value. The company said in December it was abandoning its strategy of trying to become the leading European mail company because liberalisation of European postal markets had not delivered enough benefits."

April 9, 2010

Mailers' Technical Advisory Committee (MTAC) A new [MTAC Work Group](#), # 135, dealing with "Transportation Management Systems (TMS) Combined Data Limitations." : The goal of this workgroup is to discover the best way to network multiple TMS machines and add functionality that makes TMS more robust and useful to mailers and the Postal Service. For instance, TMS could be used as a real time volume forecasting tool for the Postal Service if TMS was networked and retooled with this in mind. Anyone interested in being a member (and contributor) to this workgroup should contact [PostCom](#).

 Check out [Intelisent](#) for some reports and comments on the USPS and its policy regarding Form 8125 and Bills of Lading.

 ***DMM Advisory: PS Form 8125 Plant-Verified Drop Shipment (PVDS) Verification and Clearance.*** We have realigned our business mail acceptance processes to be more consistent throughout our vast network. A significant effort was centered on the correct completion of PS Form 8125, *Plant-Verified Drop Shipment (PVDS) Verification and Clearance*. PS Form 8125 assures that the contents presented at a destination entry office match what was accepted at an origin entry office. We have thousands of suppliers who bring drop shipments to our facilities, additionally bringing non-postal forms, such as bills of lading, and request a USPS signature. These non-postal forms are not uniform in content or appearance. It is critical that PS Form 8125 be used as the only documentation evidencing receipt of mail by the Postal Service for destination entry drop shipments. It is the only form for destination entry mailings familiar to all mailers and every business mail entry facility. To maintain nationwide consistency, USPS policy is to accept PS Form 8125 as the only form that postal employees may sign to acknowledge receipt of destination entry shipments. If mailers require a signed receipt, they may submit a second copy of the PS Form 8125, which will be signed by the USPS employee and returned to

the driver after the drop shipment has been received. For mailers who use electronic processes such as eVS where hard copy forms are not required, a separate process will be established. As postal employees continue to implement standardized business mail acceptance processes, we appreciate the support of the mailing community. It's important that mailers and the Postal Service continue to work together and support consistency nationwide.



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

- The U. S. Postal Service finally has posted its Quarter 1 FY 2010 service performance reports for all market-dominant products, which covers the period from October 1, 2009, to December 31, 2009. With the exception of First-Class Mail presort, service for all market dominant products declined in Quarter 1, with Standard Mail performance scores for Quarter 1 among the lowest reported by the USPS since it began publishing its reports at the start of FY 2009.
- According to one writer at CATO@Liberty, "National Journal reports that two key policymakers don't support the U.S. Postal Service's desire to eliminate Saturday mail delivery. House Financial Services Appropriations Subcommittee Chairman Jose Serrano (D-NY) says he'll be working with USPS management and the postal unions to avoid service cuts. And House Oversight and Government Reform Federal Workforce Subcommittee ranking member Jason Chaffetz (R-UT) announced that he too opposes the move. Chaffetz intends to introduce legislation that would instead eliminate twelve delivery days a year. Twelve days? With the USPS facing \$238 billion in losses over the next ten years, it's hard to understand why the Republican congressman is fiddling around with such small changes."
- The Postal Regulatory Commission (PRC) on April 7, 2010, issued its order approving the Postal Service's request to offer a 2010 volume incentive pricing program (a.k.a. summer sale). The ball is back in the USPS hands now to begin the process of notifying eligible mailers and setting up the program administration. The USPS will offer qualifying mailers discounts of 30 percent on volume increases of more than 5 percent over summer 2009 Standard Mail letter and flat volumes.
- PostCom consultant Kathy Siviter, president of Postal Consulting Services, Inc., shares her views on the service part of Postal Service.
- According to the Courier, Express, and Postal Observer, "The Postal Reporter News Blog reported that the Postal Service is quietly announcing the introduction of a voluntary early retirement program in selected cities. Voluntary early retirement programs allow employees to retire early but do not offer them a financial incentive to do so. This program requires eligible employees to decide between now and May 21, 2010 with the retirement date occurring in June 2010."
- Hamilton Davison, President & Executive Director of the American Catalog Mailers Association told his members that "the Postal Regulatory Commission has approved the USPS's plan to conduct a Standard Mail Pricing Initiative (Summer Sale) this summer." The ruling came despite arguments against it by the Public Representative and coupon mailer Valpak."
- According to the Courier, Express, and Postal Observer, "One of the problems with the current regulatory and business model is that every action that is proposed to make the Postal Service financially viable is evaluated independently. This allows those that object to one solution or another to oppose the solution under review and argue that something else should be done to restore the Postal Service's viability."
- The U.S. Postal Service is looking for an end-to-end online direct mail solution for the small-to-mid size market.
- Mailers petition PRC on pension review. New addressing association formed. Valassis extends Childfind to Hispanic community. End to Saturday mail faces resistance. NAPS President says first fix funding. Postal unions oppose five-day. Cutting service not so great. Why not privatize? Don't cancel Saturday service. Congressional concern over five-day. A good way to ruin the postal service. UPS lays off pilots.
- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.

- Postal previews.

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



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[Media Daily News](#) has reported that "Seeking to accelerate its transition to a multiplatform media company, the Reader's Digest Association is appointing a "pure-play" digital executive to lead its Reader's Digest Community division."

The [Associated Press of Pakistan](#) has reported that "Director General of Pakistan Post Abdul Hameed has said the complaints and suggestions regarding his organization can be registered directly to complaint cell of DG Post through mail, phone, fax, E-Mail or by any other mean. Talking to APP here Friday, he said while making complaint about any of the service the customers should provide basic details including article ,receipt no, place of booking, date of booking, sender and receiver s names and contact details with phone no.He informed that any complainant can also register complaints through our Call Center at +92-51-9261618. He said to know the status and disposal of the complaints Incharge Hotline Complaint Cell can be contacted on telephone No: 92-51-9261618, 9260037 and E-Mail: customercare@pakpost.gov.pk, ccposthq@hotmail.com."

[International Freighting Weekly](#) has reported that "DHL Supply Chain has been awarded a four-year 40 million (US\$60.8m) contract to provide a road transport planning centre for Network Rail. "

[The Sentinel](#) has reported that "Organizations ranging from mom-and-pop stores to the largest industries are bracing for sticker shock when it comes to their electric bills next year, when **rate caps are scheduled to be removed** from electricity suppliers in Central Pennsylvania **and bills are expected to rise as much as 30 percent.**" [EdNote: And how long before we start hearing the same thing about the nation's "mail utility," the U.S. Postal Service?]


According to [Huliq](#), "A driving job at the United Parcel Service Inc. pays an average of \$74,000, a year. Unfortunately, 30 percent of applicants fail the driving test, which has led the company to pursue other means of training. Gone are the booklets and lectures. Now students will be training with video games and virtual reality. The new approach to driver training is vital for the company, which will need to replace nearly 25,000 jobs over the next five years to replace retiring baby boomers. Currently, UPS employs 99,000 drivers in the United States."


A new Address Association has began its work. The focus of the group's work is based "on the underlying premise that an address is a basic human right. Much of the world's population, perhaps 60% of it, does not have an address, and in many countries this means that for many social and political purposes, you do not exist. Projects identified as having priority include widening the availability of reasonably-priced change of address systems. The first priority will be to promote the adoption by the UPU of a resolution calling for all countries to have address systems and change of address systems that are available to be used by reputable businesses world-wide. Target date for this will be the 2012 Congress of the UPU in Qatar. And it's not only about postal addresses, or direct mailers. This group is about addresses of all types - mobile numbers, GPS data, e-mail addresses, NAC, latlong....anything used in a data field in a file to represent location of an individual or business, for any purpose. For more information contact the group's chief staff executive, [Charles Prescott](#), who also serves as the Chairman of the Universal Postal Union Consultative Committee.

According to the [Orange County Register](#), "The role of the U.S. Postal Service is being overtaken by the times and technology and, to its credit, its leaders are advocating a strategy for change. Whether the nation's largest bureaucracy actually can move on any of these proposals is another question. Congress should help them along."




The [Financial Times](#) has reported that "TNT, the Dutch mail and express delivery company, yesterday unveiled plans to spin-off its mail operations in preparation for a possible partnership with a rival or a listing of the business. The group has been under pressure since late last year from two activist shareholders who believe splitting the mail business from the express division would create value. The company said in December it was abandoning its strategy of trying to become the leading European mail company because liberalisation of European postal markets had not delivered enough benefits. TNT then signalled that the Dutch mail business might "over time" participate in Europe-wide consolidation."

 The [Financial Times](#) has reported that "UK Mail, one of two main competitors to Royal Mail in the sorting and delivery of letters across Britain, forecast that it would match last year's revenues in spite of falling demand prompted by the recession. The company, which last autumn changed its name from Business Post, said yesterday that a 2 per cent increase in revenue across its letters and parcel delivery businesses in the three months since Christmas should see it match its previous annual turnover of 388m in the year to March 31."

 The [Yorkshire Post](#) has reported that "mail deliveries to a house in Leeds have been suspended following a series of attacks on delivery staff by an elderly cat."



[Transport Intelligence](#) has reported that "TNT has announced at its AGM that it is taking steps to separate its Mail business from its Express division. Management stated that in order to explore the best structure in which a continued success for the Mail business could be achieved, an "internal legal and financial carve-out" would be realised. Management went on to say that, " documentation will be prepared, partnership discussions pursued and alternative positions assessed, including a (partial) listing or IPO of the Mail business."

 According to the [TriplePundit](#), "It is important not to anger postal employees, as we all know. However, given the risks involved, I still feel it necessary to voice my support for cutting Saturday delivery of the mail. One reason: it would cut as much as 503,000 metric tons of carbon dioxide emissions per year."



The [Postal Journal](#) has just completed its upgrade of its web design. The objective of the Journal is to explore the evolution of the North American postal market as part of the 21st century economic and communication infrastructure and facilitate an exchange of perspectives by individuals without regard to past or present affiliations, and to do so without any preconceived notions of what should be the end result. The Journal will provide the postal industry with information needed to deal with rapid change as government policy initiatives, and market forces challenge established relationships between service providers and their employees and customers. The Postal Journal has begun the process of searching online databases for previously unpublished faculty and student research on the industry.



[Transport Intelligence](#) has reported that "DHL has been awarded a multi-million dollar contract by the world's largest office supplies company, Staples. DHL will manage 32,000 Twenty-foot Equivalent Units (TEUs) annually of Staples' bonded Export Distribution Centers (EDC) business and origin management services exporting out of China. Under the contract, DHL will also provide a full range of third party logistics (3PL) services including origin pre-distribution, inventory management, consolidation, packaging and labeling, order right-sizing, generic ordering and call off to market. These services will enhance Staples' supply chain operations in 25 countries throughout North and South America, Europe and Asia."



[Welcome to PostCom TV](#)


Check out this video featuring [Sen. Susan Collins \(R-ME\)](#) and [John Berry of the Office of Personnel Management](#) at a recent Senate Appropriations postal subcommittee hearing in a discussion of the Postal Service's retirement related liabilities and payments.




April 8, 2010





Press Release: "Veterans will be able to safely dispose of expired and unused prescriptions and help the environment at the same time under a program offered by the U.S. Postal Service and U.S. Department of Veterans Affairs (VA). This pilot program is limited to an estimated 780,000 veterans living in Baltimore, Washington, DC, and West Virginia. Veterans mail back outdated, unwanted medicine. Federally approved facilities safely destroy the medicine, insuring that prescriptions don't end up in municipal refuse, soil or ground water. "


 The [Buffalo News](#) has reported that "If Congress approves a proposal to eliminate Saturday deliveries by the U.S. Postal Service, as many as 300 local jobs will be lost, postal union officials fear."


 According to the [San Francisco Chronicle](#), "TNT NV's plan to seek a share sale or partnerships for its mail operations has rekindled speculation that United Parcel Service Inc. or FedEx Corp. will seek to buy Europe's second-biggest express-delivery company." See also [Dutch News](#).

 [International Freighting Weekly](#) has reported that "DHL Express management and staff in Belgium have signed a new collective labour agreement ahead of a change of headquarters. The agreement outlines support packages for employees affected by the move of DHL's European base from Brussels to Bonn, Leipzig and Prague and was signed with Belgian trade unions BBTK, LBC and ACLVB. Ken Allen, global CEO of DHL Express, said: The economic crisis meant we had to take some difficult decisions, one of which was the relocation of our European headquarters."

 According to Dana J. Klipsch of Wheatland, president of the Southwest Indiana Rural Letter Carriers Association, writing in the [Courier Press](#), "The U.S. Postal Service is campaigning to convince the American public that moving to five-day delivery is the best remedy for its current financial difficulties. The Postal Service is acting like this is a done deal and will take place in October; nothing could be further from the truth. [The PMG has] testified there is no need for these employees to lose their jobs and no need to reduce delivery to five days per week. The Postal Service has overpaid \$75 billion into the Civil Service Retirement System. Potter stated, "If the Postal Service can gain access to the \$75 billion, we could fully fund the retiree health benefits trust fund and retain six-day delivery."

 The [Times Transcript](#) has reported that "A spokesman for the Canadian Union of Postal Workers warned Moncton city council Tuesday night the city stands to lose more than local sorting services if Canada Post goes ahead with plans to relocate local services in Saint John."

 The [BBC](#) has reported that "Letters and parcels posted in Jersey will be priced according to size as well as weight after approval for the scheme was given to Jersey Post. From 8 May, the island's main postal firm will introduce size-based pricing after the Jersey Competition Regulatory Authority (JCRA) backed the scheme."

 [Hellmail](#) has reported that "UK Mail Group plc today issued a pre-close trading update for the year ended 31 March 2010. "




From the Federal Register:

Postal Service


RULES


2010 Standard Mail Incentive Program ,
17861 17863 [2010 7896]


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


 [Business Week](#) has reported that "TNT NV, Europe's second-biggest express-delivery company, said it will explore an initial public offering or seek partners for its mail unit. TNT will start an internal legal and financial carve-out of the postal-delivery operations and seek approval from its shareholders and works councils, the


Hoofddorp, Netherlands- based company said in a statement today. Implementation of the plans will take some time, TNT said in the statement." See also the [Financial Times](#).


 The [Deseret News](#) has told its readers that "The nation's deputy postmaster general, Patrick R. Donahoe, came by the editorial board this week as part of a tour of local media. His job is to lay out the sorry budget dilemma faced by the Postal Service and to argue for ending Saturday delivery."


 According to the [Washington Examiner](#), "In addition to Bright Automotive there are several other companies developing vehicles for the postal service. In all five companies have been competitively selected for a 1 year demonstration and validation program."


 [ClickOnDetroit](#) has reported that "A U.S. postal worker assigned to a Dearborn Heights neighborhood has been charged with stealing mail. Elizabeth Underwood was confronted by postal authorities when it was traced back to her. According to a criminal complaint against Underwood, she often targeted greeting cards with the hopes that money was inside. Authorities said Underwood told them she had been taking money from envelopes since January, and that it was to buy groceries to help feed her family."

 According to the [Wall Street Journal](#), "Nearly a month after Census forms arrived in 300 million households across the nation, President Barack Obama put his signature on a bill that would have prevented the U.S. Postal Service from delivering Census look-alike mailers. The bill, Prevent Deceptive Census Look Alike Mailings Act, was introduced Feb. 9 by Democratic Reps. William Lacy Clay of Missouri and Carolyn Maloney, a New York Democrat who was the ranking member on the Census subcommittee leading up to the 2000 count. Unfortunately the bill, which passed unanimously in both chambers in 57 days, was behind schedule for much of the 2010 Census mailers."


 [The Star](#) has reported that "Pos Malaysia Bhd was favourably re-rated by market analysts following its recent announcement of an upcoming postal tariff hike. Analysts believe the new rates would significantly boost the national postal company's yields and profit margin once they come into effect from July 1. Although the postal tariff hike would likely have a negative bearing on Pos Malaysia's business volume, the net impact on its turnover and bottomline would still be positive, said an analyst with a local research outfit."

 [The Examiner](#) has reported that "If the United States Postal Service thought that their proposal to eliminate Saturday mail delivery would be an easy sell, they were wrong. The USPS plan to go from six-day to five-day delivery has stirred up strong opposition from a diverse group that includes many leading business mailers."


 [Business Week](#) has reported that "U.S. banks, insurers and express- delivery companies may be harmed by Japan's proposal to sell-off its postal service, a White House trade official said. Our concern is to be sure there is a level playing field, Deputy U.S. Trade Representative Demetrios Marantis said yesterday in a Washington speech. The plans for Japan Post, combined with other measures, are adding to increased bilateral irritants between the nations, he said."


 According to the [Courier, Express, and Postal Observer](#), "The Postal Reporter News Blog reported that the Postal Service is quietly announcing the introduction of a voluntary early retirement program in selected cities. Voluntary early retirement programs allow employees to retire early but do not offer them a financial incentive to do so. This program requires eligible employees to decide between now and May 21, 2010 with the retirement date occurring in June 2010."


 **At the Postal Regulatory Commission: Docket No. R2010-3:** The Postal Regulatory Commission has issued an order approving the Standard Mail volume incentive program (also known as the "Summer Sale.")

 "[Making Sense of Your Postal Service Contract Do You Really Understand What You Just Signed?](#)" Chances are you don't. So give some thought to attending the program run by former USPS attorney and Hursh Blackwell LLP partner David Hendel.

April 7, 2010


 **At the Postal Regulatory Commission:** The Postal Regulatory Commission will announce its procedural schedule for Docket No. N2010-1 (five-day) following its pre-hearing conference, which is scheduled for April 27.


 There will be a Senate postal oversight hearing before the Homeland Security and Governmental Affairs postal subcommittee on April 22 at 2:30 p.m. It will focus once again on issues facing the U.S. Postal Service relative to its retirement related payment obligations and credits.

 **To our readers! We have posted today a [special edition of the PostCom Bulletin](#) published for this year's National Postal Forum scheduled April 11-14, 2010 in Nashville, TN. It is dated April 11, 2010, 20 pages and includes several articles from PostCom Member Companies. Our thanks to the sponsors who made this issue possible.**


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[TrackMyMail](#)
[\(A Pitney Bowes Company\)](#)
[WIT Postal](#)
[Logistics](#)


 According to [Politics Daily](#), "In the U.S. House, 49 lawmakers have co-sponsored a resolution urging the Postal Service to continue six-day-a-week deliveries."


 [Bloomberg](#) has reported that "Printed newspapers will probably survive as long as a decade before being largely replaced by digital news, said James Tyree, who led the October buyout of the Chicago Sun-Times publisher. Newspapers have got a good strong 10 years, Tyree, chief executive of investment firm Mesirow Financial Inc., said in an interview in Chicago last week. By then you ll have to evolve into something else -- maybe five years evolve into something else -- or you ll just be out of business.


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

 Japan Post has to face an operating loss of 129.5m euros in its letter and parcel business in the fiscal year 2009/2010 (April to March).

 Due to the markup of April 1, Swiss Post has become the most expensive domestic parcel service provider.

 The trial in the legal dispute between franchisees of the UPS chain store Mail Boxes Etc. and the integrator, which started in 2003, will begin on April 26.

 Cargo airline ABX Air closed a new deal with DHL.

 DHL's subsidiary EAT Leipzig Ltd. - European Air Transport - was granted the German licence to operate a cargo airline.

🇳🇱 TNT Innight Austria, Dutch TNT's night delivery subsidiary increased revenue by almost 5% in 2009.

🇬🇧 Kate Swann, currently CEO of book and newspaper retail chain WH Smith (revenue 2007/2008: 1.73bn euros) is being tipped as successor of Adam Crozier, Royal Mail's CEO.

🇮🇹 Italy's high street bank UniCredit is one of the banks which showed their interest in becoming investors in the new Russian postal bank.

🇬🇧 Royal Mail's unionised employees will ballot until the end of April on the agreement which has been negotiated in March.



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.)*



Welcome to PostCom Radio

Join PostCom President Gene Del Polito, PostCom Vice President Jessica Lowrance, and Mailing & Fulfillment Service Association Postal and Member Relations Vice President Leo Raymond in a discussion of the Postal Service's request for five-day mail service and its proposal to Congress for postal reform.

🇺🇸 The [Enid News](#) has told its readers that "A proposal by the U.S. Postal Service to drop regular Saturday mail delivery is the wrong answer to a nagging question. Clearly the Postal Service faces a financial dilemma. But addressing the question of high costs with the answer of dropping another day of weekend delivery is short-sighted. It threatens to speed up the trend of Postal Service customers fleeing to alternate delivery methods."


🇺🇸 As [DMNews](#) has noted, "A diverse range of marketers, including Calvin Klein and Valpak, have recently used augmented reality ads to add interactive digital elements to their campaigns."


🇺🇸 The [Albany Times-Union](#) has reported that "As lawmakers struggle to complete the state budget, battles erupt over proposals for new revenue-raisers. Among this year's batch is a plan offered by Assembly Democrats to repeal a long-standing exemption on sales taxes for printed promotional and marketing materials. While virtually unknown to the general public, the proposal has galvanized the state's printing and advertising industries, some of whom feel they are targets because they lack the political clout and sheer size needed to ward off a tax increase. Items ranging from mailed brochures that local car dealers send out to offers for rebates on home repairs, to packaging on free samples of razor blades or skin cream are examples of the exempted items."

🇳🇱 [Trading Markets](#) has reported that "the Isle of Man Post Office's Integrated Mailing Solutions (IMS) division has purchased three high performance i1860 production scanners to add additional document imaging capacity to its operation having won a substantial three-year high value forms processing contract servicing one of the UK's best selling monthly magazines. The new Kodak i1860 scanners will process volumes of up to 80,000 images per day with a range of captured documents such as coupons and vouchers then uploaded securely to the client's mainframe computer."

🇺🇸 According to [AllGov](#), "News of the U.S. Postal Service's proposal to end Saturday mail delivery could mean trouble for Netflix. The mail-based DVD rental company has been doing better than ever, posting a \$115 million profit in 2009 and boasting a subscriber base of 12.3 million Americans. But if the USPS cancels Saturday deliveries, some Netflix customers could think twice about the value of the service since they would have to go two

consecutive days without receiving DVDs, not to mention the fact that Saturday night is the movie night of the week for many families. The Postal Service could also cause another problem for Netflix if it raises postage rates again. The company has managed to absorb the cost of other recent hikes in postage by cutting internal expenses and making its operations more efficient. But at some point there may not be anymore fat to trim, leaving Netflix with the choice of raising its rental fees. It currently spends about 78 cents on postage to mail each DVD."

 The [Salt Lake Tribune](#) has reported that "U.S. Postal Service officials are pitching a plan to cut Saturday delivery to plug a growing hole in their budget, but it may not be an easy sell in Congress. Rep. Jason Chaffetz, R-Utah, has a counterproposal to cancel delivery on 12 extra days a year, Saturday or not. Many Americans appear OK with a halt to Saturday delivery, according to USPS polling. But many also don't realize how important postal delivery is for businesses, Chaffetz said, as opposed to the less than 3 percent of deliveries that are personal correspondence. "It's a business tool and it's a competitive advantage for the United States and we've got to keep it that way," Chaffetz said. He fears that a blanket removal of Saturday delivery would hurt business."

 The [Asheville Citizen-Times](#) has reported that "The message members of the local postal union delivered Tuesday afternoon was loud and clear: A proposal to stop Saturday mail delivery would ruin customer service and is the wrong way to address the Postal Service's financial crisis."



From the Federal Register:


Postal Regulatory Commission


NOTICES


Nationwide Change in Frequency of Postal Delivery ,
17789 17791 [2010 7872]

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

"The Postal Service has requested an advisory opinion from the Commission on a proposed nationwide change in its longstanding 6-day street delivery operating plan. Under the plan, Saturday street delivery day would be eliminated, except for Express Mail deliveries. Some corresponding changes would be made in related aspects of service and processing. This notice addresses related preliminary procedural steps and announces the Commission's intention to hold some hearings outside of the Washington, DC area."

 According to [The Economist](#) , "Like many other parts of the media industry, publishing is being radically reshaped by the growth of the internet. Now e-books threaten to undermine sales of the old-fashioned kind. In response, publishers are trying to shore up their conventional business while preparing for a future in which e-books will represent a much bigger chunk of sales. Publishers are also pumping plenty of money into enriched e-books , which combine the printed word with audio, video and other media to create content that can command a premium price." *[EdNote: So much for worrying about the links of Media Mail and Bound Printed Matter.]*

 [MFSA](#) has told its members that "it's clear that the agency wants to find new revenue streams and/or new ways to stimulate mail volume - as it outlined in its plan (Envisioning America's Future Postal Service). In that plan, it mentioned hybrid mail among the ways to expand its products and services. Though we all support a healthier Postal Service, we do not support competitive actions - like Mailing OnLine - that infringe on our businesses." See [USPS Direct Mail Solicitation](#).


 The [Courier, Express, and Postal Observer](#) has told its readers that "One of the problems with the current regulatory and business model is that every action that is proposed to make the Postal Service financially viable is evaluated independently. This allows those that object to one solution or another to oppose the solution under review and argue that something else should be done to restore the Postal Service's viability. Right now the solution in the public eye is 5-day delivery. The Postal Regulatory Commission has begun its review and Congress will soon follow with its own. Each review appears to be completed independently of any other changes in the business model or regulatory framework that would be necessary to create a viable Postal Service. Furthermore, both the Postal Regulatory Commission and Congressional processes face the risk of becoming the equivalent of a city council


budget hearing that has to determine how many hours fewer hours per week libraries or recreation centers will be open when budgets have to be cut. When this occurs, patrons just have to learn to do with less service. The proposal of Congressman Jason Chaffetz, R-Utah, to eliminate service on 12 days illustrates this "how much do we have to cut to balance the budget" mentality that legislative processes are designed to handle."


 **At the Postal Regulatory Commission:** Sunshine Act Meeting, Public Invited TIME AND DATE: Wednesday, April 7, 2010 at 11 a.m. PLACE: Commission hearing room, 901 New York Avenue, NW, Suite 200, Washington, DC 20268-0001. MATTERS TO BE CONSIDERED IN PUBLIC SESSION:


1. Review of Postal-related Congressional Activity
2. Report on International Activities
3. Review of Active Cases
4. Report on Public Communications regarding the Nature of Service Inquiry
5. Report on Status of a Special Study, pursuant to Section 802(c) of the Postal Accountability and Enhancement Act (PAEA) of 2006, addressing the Postal Service's estimated share of a certain Civil Service Retirement System-related retirement benefit liability
6. Report on Recent Activities of the Joint Periodicals Task Force and Status of the report to the Congress pursuant to Section 708 of the PAEA
7. Report on Status of Internal Evaluation of the Public Representative Function
8. Report on Status of Technical Conference Papers Authored by Staff Chairman's Closing Remarks for Open Session Matters for Consideration in Closed Session
9. Discussion of Pending Litigation
10. Discussion of Confidential Commercial Information relative to Potential Commission Contracts
11. Discussion of Confidential Personnel Issues involving Performance Management.


April 6, 2010


 The [Jackson Citizen Patriot](#) has reported that "In less than two weeks, the U.S. Postal Service will begin moving its mail-processing operations from Jackson to Lansing."


 [Cato@Liberty](#) has reported that "National Journal reports that two key policymakers don't support the U.S. Postal Service's desire to eliminate Saturday mail delivery. House Financial Services Appropriations Subcommittee Chairman Jose Serrano (D-NY) says he'll be working with USPS management and the postal unions to avoid service cuts. And House Oversight and Government Reform Federal Workforce Subcommittee ranking member Jason Chaffetz (R-UT) announced that he too opposes the move. Chaffetz intends to introduce legislation that would instead eliminate twelve delivery days a year. Twelve days? With the USPS facing \$238 billion in losses over the next ten years, it's hard to understand why the Republican congressman is fiddling around with such small changes."


 [VOCM](#) has reported that "A component of the Public Service Alliance of Canada says while no jobs will be affected in this province, Canada Post's decision to contract out the work of its contact centres and the National Philatelic Centre will have an impact on customers. The contact centres deal with inquiries from customers while the Philatelic Centre handles the sale of stamps and commemorative items to collectors. Mike Moeller of the Union of Postal Communications Employees says some 350 full and temporary jobs will be affected, though some of the cuts will be handled through attrition. Moeller fears there will be more privatization down the road and there will be a decline in the quality of service for customers looking for answers from Canada Post."


 The [Jersey Evening Post](#) has reported that "furious postal workers are planning to launch a campaign to stop Jersey's competition watchdog from opening up the market. The Communication Workers Union, which represents Jersey Post members, is surprised, shocked and extremely angry at the announcement to increase competition in the Island. Last week the Jersey Competition Regulatory Authority said that it was to end Jersey Post's monopoly in the fulfilment industry by giving a licence to Hub Europe and Citipost to deliver large letters and packages including DVDs and CDs for online retailers."


 The [Malaysia Star](#) has reported that "Pos Malaysia will raise its domestic postal rates for the first time in 18 years. The price for stamps for standard mail weighing up to 20g will be revised from 30 sen to 60 sen, and for mail weighing up to 50g, from 40 sen to 70 sen."

 [Post & Parcel](#) has reported that "As speculation mounts on who will be Adam Crozier's successor, is WH Smith's Kate Swann the one for Royal Mail? As the working week drew to a premature end on Thursday, Royal Mail announced to the world that David Smith is to become the Group's new managing director of the Post Office in the UK. Smith replaces Alan Cook, who announced his resignation on 7 January. Replacing a senior executive is a long-winded and highly complex affair for any Board, so the bigwigs around Royal Mail's top table must have been left downbeat once Adam Crozier made public his intentions to join ITV only three weeks later, on 21 January. So with Smith's promotion now rubber-stamped it's a case of one down, one to go. The next appointment Group chairman Donald Brydon presides over will be huge. Not only will the candidate have to continue with the modernisation process Royal Mail is currently undertaking, but they will also have to contend with the consistent decline in mail volumes."

 According to the [White Mountain Independent](#), "National media report that Saturday mail delivery may go the way of the milk wagon and that a wide majority of Americans think that's ok. Hold on. Advertisement Congress must act first and that is not likely to happen soon. Some Congressional leaders worry about trimming mail service, even if only 35 percent of people surveyed by Gallup last summer disapprove. Poll results are guided by the way questions are asked. They don't give a full picture. Knowing that, Congress is not yet ready to decide. The poll questions ran like this: would you rather give up Saturday mail, lose your local post office or lay off postal workers in the worst recession in 70 years? Cast that way, Saturday mail loses every time. But that may not be the wisest choice."


 [Public Values](#) has reported that "The federal government is trying to push partial deregulation of Canada Post through Parliament as part of its omnibus budget bill according to Denis Lemelin, National President of the Canadian Union of Postal Workers (CUPW)."


 [Transport Topics](#) has reported that "UPS Inc. said Tuesday it has added 200 hybrid electric delivery trucks to its fleet in eight U.S. cities. UPS expects the vehicles to reduce fuel consumption by 176,000 gallons per year compared with conventional diesel trucks, and will reduce the amount of carbon dioxide released by 1,768 metric tons per year. The trucks join about 20,000 other low-emission and alternative fuel vehicles in the UPS fleet, the carrier said."


 ***At the Postal Regulatory Commission: Docket No. SS2010-1.*** The Association for Postal Commerce, Alliance of Nonprofit Mailers, Direct Marketing Association, Inc., Envelope Manufacturers Association, Greeting Card Association, Magazine Publishers Of America, Mail Order Association Of America, Mailing And Fulfillment Service Association, Major Mailers Association, National Association of Postmasters of the United States, National Association of Letter Carriers, National League Of Postmasters, National Newspaper Association, National Rural Letter Carriers' Association, Reader's Digest Association, Inc., Conde Nast Publications, Saturation Mailers Coalition, Time Warner, Inc., Valassis Direct Mail, Inc., Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc., have petitioned the Postal Regulatory Commission to (1) incorporate in Docket No. SS2010-1 relevant comments submitted in Docket ACR2009 pertaining to the issue of the appropriate allocation of CSRS pension obligations between the Postal Service and the federal government, to be made available to the Commission's selected actuary in assessing the issues in this review proceeding; (2) establish an opportunity for public comment on the actuary's report prior to consideration by the Commission; and (3) establish a parallel consolidated proceeding pursuant to section 701(a) of the Postal Accountability And Enhancement Act (PAEA).

***Congratulations to PostCom Vice President
Jessica Lowrance and her husband Joe on the
birth of their son, Joseph Matthew Lowrance,
Jr. Born at 2:04 a. m., JJ came in at 6 lbs. 11***


oz and 19 inches long.


 From [PR-Inside](#): "Retailers can now access shipping returns tracking and save on inventory investment while speeding the sales cycle. Retailers across the country can get affordable shipping options from Newgistics. Newgistics is known for retailer friendly shipping. Newgistics and their team work hard to insure total customer satisfaction with their shipping options. Literally hundreds of retail brands and millions of their customers have selected Newgistics. Retailers and manufacturers depend on Newgistics for shipping solutions."


 [Mediaweek](#) has reported that "Three days into the Apple iPad s launch, many magazine customers are embracing the new format for print but howling over what they consider excessive prices for single issues. Come on, guys, help us help you, read one typical customer comment, on Apple's iTunes store, in response to Popular Science s iPad app. The app, a digital replica of the monthly magazine, is priced at \$4.99 per single issue, the same as the print. This is the future of magazines. This is how I want all of my magazines. But I will not pay \$5 per issue."

 The [Wall Street Journal](#) has reported that "Vexed that some 30% of driver candidates flunk its traditional training, United Parcel Service Inc. is moving beyond the classroom to ready its rookies for the road. In the place of books and lectures are videogames, a contraption that simulates walking on ice and an obstacle course around an artificial village. Based on results so far, the world's largest package-delivery company is convinced that 20-somethings the bulk of UPS driver recruits respond best to high-tech instruction and a chance to hone skills."

 [The iPad Delivery](#): When the Shipping Information is as Important as the Shipment Itself

 According to [Marketing Week](#), "The proactive approach to dealing with playground bullies, hit them before they hit you , could be an aphorism applied to the direct mail industry s relationship with the Government in regard to environmental waste."

 [Accountacy Age](#) has reported that "Businesses including mail order companies and internet retailers could be eligible for a VAT reclaim on certain parcel services going back four years."

 The [St. Joseph News-Press](#) has told its readers that "Recently, we ve been thinking: What would we do differently if WE ran the U.S. Postal Service? You may have read the service is in a money bind again and is floating the prospect that Saturday delivery (or some other day) is on the chopping block. For us, this should be a last resort for a service that depends on widespread use and acceptance. Once the Postal Service stops providing delivery on every day when people need it and to every address where people reside, then it becomes just another niche business servicing a fraction of the market needs. The loss of customers will speed up if this happens. In the alternative, **we strongly advocate for more customer-focused strategies to rein in labor costs** that amount to about 80 percent of the Postal Service budget (about 30 percent higher than for its national competitors)."


 ***From the Federal Register:***


Postal Service


NOTICES


International Product Change Global Reseller Expedited Package Contracts ,
17453 [2010 7762]

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

 According to the [Daily Bulletin](#), "There's a plan afoot by the U.S. Postal Service to end mail delivery and close post offices on Saturday. It's losing money because too many of us use e-mail to pay bills or communicate with friends and family instead of buying 44-cent stamps. I came across an item in the Pomona Progress of almost a century ago that's a bit ironic in light of these cutback plans. On the evening of Oct. 16, 1910, the Rev. L.S. Van Arnam spoke from a Pomona pulpit that the local post office should stop delivering mail - on Sundays. Yes, this was a time where in some places you got mail every day."


 As [Postal Technology International](#) has noted, "Royal Mail has appointed David Smith managing director of the UK Post Office. Smith will relinquish his role as managing director of Parcelforce Worldwide. He has been with Parcelforce since 2002 and has been managing director of the business since 2007."


 The [BBC](#) has reported that "The union representing 400 Jersey Post staff has said it is "surprised, shocked and angry" at moves to increase competition. The Jersey Competition Regulatory Authority announced proposals for two more firms to handle bulk mail items in direct competition to Jersey Post. A public consultation on the proposals will run until the end of April."


 According to [OutputLinks](#), "The U.S. Postal Service is awash in dismal headlines. Hardly a day goes by without reports of declining volumes, shrinking services, rising costs, and the resulting endless sea of red ink. But if you look beyond the headlines, you can see some encouraging signs."


 [Transport Intelligence](#) has reported that:


- [DHL Express European Management](#) and trade unions, BBTK, LBC and ACLVB, have announced the signing of a Collective Labor Agreement outlining details of a support package for employees affected by the move of DHL's European headquarters from Brussels to Bonn, Leipzig and Prague. The company said that the social accord forged with the trade union representatives would herald a new era in which DHL would be able to further build its local activities in Belgium.
- Parent company of [ABX Air, Air Transport Services Group](#), has announced the execution of new long-term agreements under which the subsidiaries of ATSG will continue providing aircraft and operating support to the US portion of DHL's international logistics network.


 The [Sacramento Bee](#) has reported that "Almost 24,000 residences in the Sacramento region are vacant, according to a U.S. Postal Service survey of houses and apartments where mail has not been picked up for 90 days. This map shows census tracts in the six-county region that have vacancy rates above 4 percent -- more than twice the statewide rate of 1.7 percent."

 [Delmarva Now](#) has reported that "Mail headed from Salisbury, Md., to Salisbury, England, begins its journey in Easton, at a U.S. Postal Service mail processing hub. The facility, which employs 127 people, is the Eastern Shore's only processing and distribution center. It handles local mail that is postmarked for and from destinations all across the world. Now the Postal Service is now examining whether it should consolidate the Easton operation and have its services handled by a Baltimore facility."


 [New Straits Times](#) has reported that "The new salary scheme and allowances for nearly 2,000 postmen and postal clerks nationwide so as to be in line with that enjoyed by other civil servants, will take effect in July. Information Communication and Culture Minister Datuk Seri Dr Rais Yatim said the new salary scheme which had been agreed by the government, would be announced by Pos Malaysia Bhd once the restructuring exercise had been completed. "Currently, the starting monthly pay for a postman is RM610 and RM710 for a postal clerk, which can be said to be below the poverty line. "But with the increase in their salary and allowances, their income can be said to be on par with that in the other services of the public sector," he told a news conference after attending the ministry's monthly assembly at Istana Budaya."

 [Bernama](#) has reported that "Pos Malaysia Bhd employees have mixed feelings over Khazanah Nasional Bhd's plan to sell its 32.2 per cent stake in the the postal services company by year-end."

 [The Edge](#) has reported that "Pos Malaysia and Green Packet subsidiary Packet One Networks (Malaysia) Sdn Bhd (P1) have teamed up to enable existing and new P1 Wimax subscribers to pay their bills, register a new postpaid account and top up their prepaid accounts at the postal service provider's outlets in the peninsula."


 [DM News](#) has noted that "The US Postal Service is seeking information from private companies that could potentially partner with the agency on a direct mail service. The USPS wants more details on how it could enable access to a comprehensive, end-to-end, online direct mail solution targeted at small- and medium-sized enterprises,


according to the agency's request for information filing. The deadline for companies to respond to the RFI is April 23 at 5 pm EST. Interested parties must send questions to the USPS by April 12. The request is only for market research and planning purposes, and is not an RFP, according to the USPS."


 From [PRWeb](#): "The United States has the fourth largest Hispanic population in the world. With approximately 45 million people, Hispanics represent around 15% of the U.S. population, which has led Valassis, one of the nation's leading media and marketing services companies to launch two new missing child efforts targeted at the Hispanic community. These initiatives were created in response to an interest The National Center for Missing & Exploited Children (NCMEC) had to raise awareness about missing children from Hispanic communities. The first initiative is a new Hispanic run of press (ROP) missing child newspaper alert. Valassis has an established relationship with EPMG, a company that specializes in diverse publications, and upon request from NCMEC, Valassis will work with EPMG to secure space in Hispanic publications to run information about a particular missing child case."


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


- [Japan Post](#), one of the largest financial institutions in the world with assets of more than Y300,000bn, sits at the heart of a system of public institutions that own almost half of Japan's national debt. It helps to keep the government's cost of borrowing low even as its gross debt closes in on 200 per cent of annual output. The rise in the deposit cap suggests that the Democratic party-led government, while bitterly divided over postal privatisation, will keep those public buyers in place. That should reduce for now the chance of a Greek-style debt market crisis that forces Japan to retrench.
- When [Shizuka Kamei](#) unveiled his proposals for reforming the post office, he had no idea of the outrage he would unleash among his fellow Cabinet ministers.

 [Federal News Radio](#) has reported that "The United States Postal Service is working on a plan to save more than \$5 billion a year, and the Postal Regulatory Commission is making sure this is done in the most efficient manner possible. As Federal News Radio reported earlier, Postmaster General John Potter testified before Congress about the comprehensive plan, Ensuring a Viable Postal Service for America. The plan calls for eliminating mail delivery on Saturdays and restructuring how the agency pays into its pension fund, among other actions. Commission Chairman Ruth Goldway explained how her agency is playing a part in the overall restructuring process."

 [Fast Company](#) has quoted Environmental Leader as saying that "Reducing street delivery would save anywhere from 315,000 to 503,000 metric tons of greenhouse gas emissions, or the same as eliminating the annual emissions from 60,000 to 96,000 cars. This amount represents 3-5 percent of USPS's 2007 emissions from facilities, owned vehicles and contract transportation, which totaled 11.2 million metric tons. Nearly all the GHG reductions will come from fuel saved by reducing the miles driven. Some minor savings will be possible because of reduced energy use at large facilities."


 [Government Executive](#) has reported that "Two key lawmakers overseeing the U.S. Postal Service said they do not support the cash-strapped agency's plan to cut Saturday mail deliveries in hopes of saving more than \$3 billion. "While I understand the seriousness of the Postal Service's fiscal issues, I remain supportive of a six-day delivery schedule," said House Financial Services Appropriations Subcommittee Chairman Jose Serrano, D-N.Y., whose panel controls funding for the Postal Service. "I will be in conversations in coming weeks with the senior postal leadership and the postal unions in an effort to avoid service cuts." House Oversight and Government Reform Federal Workforce Subcommittee ranking member Jason Chaffetz, R-Utah, echoed that sentiment and said he plans to introduce legislation to eliminate only 12 days of mail delivery per year."


 [CBC News](#) has reported that "A union representing 2,000 Canada Post employees says it will fight the Crown corporation's plan to privatize parts of its operations. The Public Service Alliance of Canada says Canada Post's plan to outsource contact centres and the National Philatelic Centre will "badly damage" the quality of Canada's postal service. The plan would eliminate more than 300 jobs across the country. Edmonton, Ottawa, Winnipeg, Fredericton and Antigonish, N.S. would be affected by the changes. Robyn Benson, the union's regional executive vice-president for the Prairies, said the affected areas would lose local contact with Canada Post, as well as jobs."

 [TMCNet](#) has reported that "The Public Service Alliance of Canada (PSAC), the biggest federal public service union in the country, will be taking an action to prevent Canada Post from privatizing an important part of its operations. The crown corporation announced that it would outsource its contact centers and the National Philatelic Centre, resulting in the elimination of more than 300 jobs across the country. The affected locations include Edmonton, Ottawa, Winnipeg, Antigonish, and Fredericton."

 *Be sure to read "["Poly Letter Size Mail Appeals to Marketers."](#) It's a paper dealing with the polywrapping of letter-size mail to enhance its marketing appeal. If you believe you might benefit from the Postal Service's approval of using polywrapping with letter-sized pieces, please be sure to [let PostCom know](#).*

April 5, 2010


 The [Federal Times](#) has reported that "If the U.S. Postal Service gets its wish, there will be no Saturday mail delivery at this time next year but the agency needs to sell the plan to its biggest customers, many of whom are skeptical about the switch."

 The [National Right to Work Legal Defense Foundation](#) has reported that "The Federal Election Commission (FEC) has dismissed a complaint filed by the National Right to Work Legal Defense Foundation and a Nashua-area postal worker who discovered his annual union membership dues were illegally diverted into the union's political action committee (PAC)."




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


- [Prepaid Debit Cards Services](#). What if the Postal Service explored partnering with prepaid debit card providers to sell prepaid debit cards at post offices, just as they are now sold at other retail outlets? While the Postal Service explored similar products in the past, the current economic climate calls for a reexamination of the product.


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


- **New Optional Designs for Letter-Sized Booklets.** We revised 201.3.0 to provide 10 new design options for letter-size booklets.
- **Express Mail Open and Distribute and Priority Mail Open and Distribute Changes and Updates.** We revised 705.16.0 to improve efficiencies in processing and to control costs for Express Mail Open and Distribute and Priority Mail Open and Distribute.
- **Updated Size and Weight Limits for Items Mailed to Department of State Addresses.** We revised 703.3.2.3 to update the size and weight limits for items mailed specifically to Department of State addresses.
- **Parcel Return Service Mailer ID Clearance.** We revised 507.13.4.4h2 which gives mailers the option to change the label format by reducing the required clearance space between the Parcel Return Service Mailer Identification (ID) characters and the edges of the printed box from 3/16 inch to 1/16 inch.
- **Extension of Not Flat-Machinable Prices and Eligibility of Mailpieces Specifically Approved as Automation Flats.** We revised 301.3.3 to extend automation flats eligibility of pieces approved via the Pricing and Classification Service Center (PCSC) beyond May 2010. We also extended the timeframe for the Not Flat-Machinable (NFM) category of Standard Mail.


- **Deposit of APO, FPO, DPO, and U.S. Territory Mailpieces Bearing a Customs Declaration Update**
We revised 503.9.2.4, 503.10.2.3, 608.2.0, and 703.2.0 to authorize additional deposit options for items that bear a customs declaration when mailed to APO, FPO, DPO destinations, and to U.S. territory, possessions and Freely Associated States.
- **Labeling List Changes.** We revised Labeling List(s) L001, L002, L005, L007, L008, L009, L011, L201, L606, and L607 to reflect changes in mail processing operations.

 [The Star](#) has noted that "although Khazanah Nasional Bhd s divestment of its 32.2% stake in Pos Malaysia Bhd is expected, it remains a big mystery who will take over the reins at the postal service company."


 [Hellmail](#) has reported that "The final selection for a successor for Adam Crozier, chief executive at Royal Mail, is underway. Crozier is to begin a new post with ITV, but with Royal Mail about to step up its plans for survival; Crozier's successor will have much to contend with including difficult industrial relations and a declining letters market. According to the Press Association, Kate Swann, chief executive with WH Smith chief, is being tipped as the leading contender. In March 2009, Donald Brydon became a Non-Executive Director of the Royal Mail Group, replacing Allan Leighton. Royal Mail has seen several changes at the top in recent years but with now faces a real battle to retain its share of the D2D market to offset the decline in stamped mail, some of which has already been lost to rivals."


 [News.com.au](#) has reported that "door-to-door postal services on the nation's urban fringe face extinction as Australia Post prepares to roll out fully-automated community mail centres. An investigation by The Sunday Mail found that Australia Post has already earmarked parts of southeast Queensland and western Sydney, the nation's top growth corridors, to install the new mail "hubs".

 [The Mangalorean](#) has reported that "The postal employees at the two-day 26th Karnataka Circle Joint Conference, which began here on Sunday, were called upon to oppose any move by the Government to privatise postal services. Members affiliated to All India Postal Employees Union Group C, All India Postal Employees Union, Postmen and Group D, and All India Postal Extra Departmental Employees Union are participating in the conference."


 According to National Association of Postal Supervisors President Ted Keating (writing in the [Federal Times](#)), "The U.S. Postal Service faces big problems. It could lose as much as \$7 billion this year and even more in years to come. What to do? Most immediately, Congress should substantially correct the postal pension overcharge and responsibly credit the overpaid pension funds back to the Postal Service for payment of its future retiree health benefit obligations. That will put out the Postal Service's financial fire. Then Congress should do what needs to be done to update the wiring and the design of the Postal Service's business model. This will involve finding new ways to increase revenues and cut costs. But reducing delivery days immediately, when other steps are available, will only degrade the value of mail for households and the mailing industry, which use and rely upon the Postal Service. Reducing mail delivery days should be the last resort, not the first."


April 4, 2010


 According to [The Town Talk](#), "the USPS routinely loses money because it is a publicly owned enterprise, rather than a privately owned one with stockholders who pay attention to the bottom line. It therefore has only weak incentives to control costs and to serve its customers well. Higher rates and fewer delivery days will only serve to exacerbate these issues, but a solution is certainly available: privatize the pickup and delivery of first-class U.S. mail. Such a regime change has been quite successful in Germany and has been recommended for Canada. In a November 2009 study published by Canada's Frontier Centre for Public Policy analyzing the effects of liberalizing Deutsche Post, which got underway in 2000, author Adrian Vannahme found that postal rates fell substantially (by over 16 percent), service levels improved, and total employment actually increased. Jobs were created by a liberalized German postal service because it became much more internationally competitive and thus began penetrating markets in other nations that had also scrapped their government postal monopolies."


 The [Watertown Daily Times](#) has reported that "Both the National Rural Letter Carriers Association and the National Association of Letter Carriers are conducting letter-writing campaigns to Congress in hopes of blocking the five-day mail delivery week."


April 3, 2010

 The [Le Mars Daily Sentinel](#) says it believes that "Elimination of Saturday delivery is likely to force more and more of us online, reducing the number of postage stamps we buy and putting USPS even farther in the red."

 According to [WalletPop](#), "here's been a lot of talk lately about the possibility of the U.S. Postal Service eliminating Saturday mail delivery service, and a lot of discussion about what this will mean for Netflix and its subscribers. There are plenty of other businesses beyond Netflix and individuals that are going to take a hit. Here's a list of the businesses and people who I think will miss Saturday mail deliveries the most. Saturday delivery is a valuable tool in the entrepreneur's arsenal. While getting rid of Saturday deliveries won't destroy a business it could take a bite out of sales."

 The [Winnipeg Free Press](#) has reported that "between 32 and 40 people will lose their jobs at Canada Post in Winnipeg next year, as the postal service contracts out some of its customer call-centre operations. The change is part of a national move by Canada Post to reduce its costs."

 [The Telegram](#) has told its readers that "Ending Saturday delivery could save \$5.1 billion a year by 2020, but marks a real reduction in service and inconvenience to millions. But the most serious problem is the continuing belief that the post office can tweak its way out of its financial bind. In fact, its financial problems are growing much worse, and Congress and the American people need to strongly consider more radical reforms, including the possibility of privatizing some USPS functions."

 [The Coloradoan](#) has reported that "Fort Collins residents have mixed reactions to a U.S. Postal Service proposal to cut Saturday mail delivery."



From the Federal Register:

**Postal Regulatory Commission
NOTICES**

Market Test ,

17174 17175 [2010 7692]

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


New Postal Product ,




17175 17176 [2010 7578]


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


[Blue MauMau](#) has reported that "A group of Mail Boxes Etc. franchisees who have refused through the years to convert to The UPS Store business model have put together a three-minute slideshow on YouTube to tell their side of the story. Joe Wightman, a New York City-based Mail Boxes Etc. franchisee of some 17 years, hopes the media will watch it and understand the franchise issues surrounding an upcoming trial. His beef? He thinks that after buying Mail Boxes Etc. in 2001, United Parcel Service saddled the then-existing 3,400 Mail Boxes Etc. franchisees with a new and unproven parcel delivery and copy shop business, now called The UPS Store. Most converted. But Wightman and other franchise owner-operators are saying that the new business is far removed from their signed franchise contracts of operating a mailbox rental store. Worse, they say that they are not allowed to continue under the profitable old system. The franchisor is forcing all into the expensive new business. Critics of the franchisor say it is sort of like having franchisees sign an agreement for a pretzel shop, only to find that their franchisor later insists that owner-operators can only continue if they invest to convert to car dealerships."


 The [Alaska Journal of Commerce](#) has reported that "After nearly two years of attempting to cut its costs through other means, United Parcel Service will lay off pilots, including some in Anchorage, according to a company spokesman. Nationwide, UPS will furlough 300 of its 2,800 pilots by 2011. The company will furlough 54 pilots in May, 170 by the end of the year and the remaining 76 by the end of 2011." [*Gee, full-time UPS workers losing jobs. You don't see that at the Postal Service.*]

 The [Wayne Independent](#) has reported that "Some local business people feel that cutting a day of service is not the way to go. When you need to cut costs, you got to do what you got to do. I'm just not sure cutting service is the way to go, said Patricia Blaum, of the Southern Wayne Regional Chamber of Commerce. Blaum said the change doesn't necessarily affect the Chamber, since it is closed Saturdays, but she was sure some businesses could be affected by the change. Jeff Hiller, president of the Greater Honesdale Partnership and owner of the Trakside Grill, had mixed feelings on the situation. He agrees that it would be wrong to cut service. Every business has to cut costs somewhere, but cutting service at a time when people need customer service more than ever doesn't seem like the right move, said Hiller."

April 2, 2010


 [Bernama](#) has reported that "The government is prepared to restructure the salary and allowance of some 1,880 Pos Malaysia Bhd staff so that they are on par with their counterparts in the civil service. Information Communication and Culture Minister Datuk Seri Dr Rais Yatim said as a minister in charge of Pos Malaysia, he had looked into the salary and allowance received by clerks and postmen which he said were below the poverty level."

 As [CNET News](#) has noted, "When you have an organization as large as UPS, with its armada of tens of thousands of brown trucks prowling the streets of the world to pick up and drop off packages, even the smallest inefficiencies can add up to substantial costs. The reverse is true, as well, of course, and that's why the company is in the middle of a long-term technology upgrade for its giant fleet of delivery vehicles that is designed to wring every possible efficiency out of the trucks. In the process, it will save millions of dollars a year, make a significant reduction in the company's carbon footprint and keep its thousands of drivers a little bit safer. And it all comes from the collection and analysis of vast amounts of telemetry data gathered from the smallest sensors found just about everywhere on those ubiquitous brown trucks."


 [Analytiqa](#) has reported that "DHL Express has now registered eleven Boeing B757 Freighter aircraft with its newly formed Leipzig-based cargo airline European Air Transport (EAT) GmbH. This follows the granting of the operating license by the German Aviation Authority (LBA). The license and the Airline Operator Certificate (AOC), which were officially handed over to EAT Leipzig's Managing Director Markus Otto, completes the move of DHL's European aviation operations from Brussels to Leipzig that started in November 2007."





A report has been posted on the *U.S. Postal Service Office of Inspector General* website (<http://www.uspsoig.gov/>). If you have additional questions concerning this report, please contact Agapi Doulaveris at 703.248.2286. [Continuing Use of Carrier Sequence Barcode Sorter Machines at Delivery Units \(Report Number DR-AR-10-004\)](#). Although a business case exists for continued use of Carrier Sequence Barcode Sorter (CSBCS) machines in some associate offices in the Mid-Carolinas Customer Service District, we concluded they can reduce 10 CSBCS machines. We estimate the district could save more than \$3 million as a result of this reduction.


 According to one contributor to the [Forum of Fargo-Moorhead](#), "The only way the cost can be eliminated is to change the mode of delivery. Perham, Minn., like thousands of localities, has parts of the city with delivery on both sides of the street. It isn't hard to come to the determination that delivering on one side of the street cuts the cost in half. Also, clustering boxes, four to the installation, reduces stops, as the vehicle can deliver mail to four boxes without moving. As the employee stops at each box 304 times a year, delivering four boxes without moving

eliminates 912 stops at that location. More than four boxes can be placed at one location to eliminate more than four stops. Revising routes to implement this suggestion means a savings nationwide of millions of dollars."

 [Canada.com](#) has reported that "Port Alberni postal workers are up in arms over a proposal to ship all Island mail to Vancouver for sorting, but Canada Post is calling it a misunderstanding."

 [One Telegraph blogger](#) has asked if you "Remember post? You know, those funny paper things that come through your letterbox (nearly) every morning? Well, how would you feel if your postman opened up each one and read it out loud to you on the doorstep? That's not a million miles away from what is about to happen in Finland, except the Finns claim the postman won't be reading your mail, just scanning it into computers and emailing you the contents....Finland, the land that killed the letter?" See also the [Sydney Morning Herald](#) and [Red Orbit](#).

 The [Press Trust of India](#) has reported that "Industry body ASSOCHAM has submitted a proposal to the Department of Telecommunications and the Commerce and Industry Ministry urging them to allow courier agencies to deliver precious items like gold, diamonds and gemstones. Movement of gold and diamond materials through postal departments has constraints and often leads to pilferage and losses, the industry chamber said. "If private couriers could be allowed to deliver precious metals, this would help in increasing sale and purchase of these items," ASSOCHAM Secretary General D S Rawat said."

 [Hellmail](#) has noted that "Swift Postal has launched its Swift Kiosk solution - a self-service option for postal customers. The self-service kiosk allows postal organisations to offer their services to customers from a variety of locations - with 24/7 availability."

DMM Advisory:


- **New MailPro Available.** The March/April *MailPro* [[HTML](#)] | [[PDF](#)] is available now on usps.com/mailpro. You'll find informative articles on Postmaster General John Potter's action plan for the future, information-based indicia (IBI), an advance notice of the 2010 Summer Sale, and much more. Customers can access current and past issues of *MailPro* online or subscribe by sending an e-mail to mncsc@usps.com. Include your name, title, company name, complete delivery address, and daytime phone number.
- **PostalOne! New Mail.dat Client.** On November 15, 2009 the Postal Service introduced a new USPS Mail.dat client to upload Mail.dat 8-2 files which replaced the legacy Mail.dat client application. Mailers submitting new Mail.dat, version 8-2 jobs must download and utilize the new USPS Mail.dat client software. Go to section 3.0 of the [Postal Service Mail.dat Technical Specification \(version 8.8\) for release 24](#) for information on the USPS Mail.dat client software. In the *PostalOne!* Release 24.0 deployed on March 14th, 2010, the Postal Service discontinued the support of the legacy Mail.dat client software. Since then some mailers have requested a temporary extension to complete jobs via the legacy client software that were submitted prior to March 15th. In order to allow mailers time to complete their jobs without resubmitting, we made a one-time exception to temporarily activate the legacy Mail.dat client software until April 16, 2010. Mailers may not submit any new jobs using the legacy Mail.dat client software. This support will be permanently discontinued on April 16th, 2010. The *PostalOne!* help desk is available via email at postalone@usps.gov or by calling 1-800-522-9085.

From the Federal Register:

- **Postal Service NOTICES** Market Test of Samples Co-Op Box Experimental Product , 16874 [2010 7507] [\[TEXT\]](#) [\[PDF\]](#)
- **Geological Survey NOTICES** Public Review of draft United States Thoroughfare, Landmark, and **Postal Address Data Standard** , 16837 [2010 7438] [\[TEXT\]](#) [\[PDF\]](#)

 The [Daily Yomiuri](#) has reported that:

- [Japan's postal reform](#) could have a serious negative competitive impact on financial institutions, the Office of the U.S. Trade Representative said Wednesday in an annual report. The 2010 National Trade Estimate Report on Foreign Trade Barriers, which described the barriers U.S. trade and investment faced last year, was submitted to Congress on Wednesday. The report emphasized the importance of transparency in the process of Japan's postal reform, saying the U.S. government would keep a close watch on developments. The USTR report will serve as a guideline for U.S. President Barack Obama's administration in carrying out its trade policies.
- [The row that blew up over postal reform has ended](#) after Prime Minister Yukio Hatoyama cobbled together a consensus among Cabinet members to approve plans earlier revealed by postal reform minister Shizuka Kamei and Internal Affairs and Communications Minister Kazuhiro Haraguchi, including an increase in the postal savings cap from 10 million yen to 20 million yen per depositor. But it is unclear how the raised money will be spent. The settlement of the latest dispute means, in effect, that Hatoyama came down on the side of the argument advanced by Kamei and Haraguchi concerning postal reform. Only a few days ago, the two ministers sparked a bitter controversy among Cabinet members when their "final draft" of a bill for postal reform was disclosed.

 [Intelisent](#) has reported that "Problems and confusion created by the newly-enforced USPS policy of refusing to sign transportation Bills of Lading are still being reported. The policy has still not been adequately explained or communicated. The Postal Service did present the policy at a couple of Plant-Verified Drop Shipment Webinars, where the USPS reiterated the stock response that the USPS does not recognize any other form besides the 8125 form, and will no longer recognize, accept, or sign Bills of Lading .



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

- The U.S. Postal Service has requested that the Postal Regulatory Commission issue an advisory opinion regarding its plan to move from its current six-day plan to a five-day plan. The estimated annual savings is \$3.1 billion. The Postal Service provided 11 witnesses and 12 library references to state its case on why this move to five-day is the right decision for it at this time.
- The USPS held a media briefing on March 29 with Sam Pulcrano and the Five-Day Team on the plan that was submitted to the Postal Regulatory Commission on March 30. Here are the questions that were asked of the team during the briefing.
- The Postmaster General and the U.S. Postal Service's presidentially appointed Governors have gone arm-in-arm to Congress to explain the peck of trouble facing the nation's postal service. They've explained in detail the fiscal challenges the USPS is facing, the manner in which its core businesses are being transformed by new ways of communicating and doing business, and the legislative, regulatory, and labor-related constraints that impede any ability to deal with key issues with any sense of alacrity.
- The Postal Regulatory Commission (PRC) was unanimous and strongly supportive of the specific directions it gave to the Postal Service to address operational problems, rate and service deficiencies, and plans for improvement. However, the Commission could not find a consensus on the use of the term in compliance. So, the PRC has determined that the Postal Service remained at levels that met this mandate in FY 2009.
- This week the U.S. Postal Service gave notice that it intends to conduct a Sample Co-Op Box test. This experimental competitive product will give the Postal Service information concerning the operations, costs, and potential market for the product. According to the USPS, the Samples Co-Op Box is a parcel box that will contain an assortment of product samples from multiple consumer packaged goods companies and will be mailed to the companies target consumers, with the companies sharing the postage costs.

- Time Inc Senior Vice President Jim O'Brien, as a guest blogger for the OIG, asks what can be done to address the "automation refugees" issue?
- According to Deadtree Edition, "Magazine publishers have put lots of energy and resources into making our publications more suited to the Postal Service's sorting equipment. We've participated in co-mail to create more carrier-route bundles, moved mail from sacks to pallets, turned our addresses upside down in preparation for the Flats Sequencing System, and are converting our tabloids to other formats to comply with the "droop" test. But more than ever, postal facilities are letting the machines sit idle while employees handle newspapers and magazines (and, presumably, catalogs) manually."
- According to the Postal Employees Network, "time and time again postal employees continually read that postal employee pay and benefits are just too high critics always like to point out that 80% of USPS costs is labor. We, as postal employees, get sick and tired of hearing this same broken record over and over. We try to point out to these people that USPS is a service company we ARE NOT a retail, manufacturing, or banking entity we are a SERVICE COMPANY. As a service company, providing the most extensive service in this nation, our employee base MUST be large and subsequently compose the vast majority of costs for USPS. Please tell us how else could this service exist without a work compliment in place to carry out the service?"
- U. S. Appeals Court rules in PRC favor. Special contracts not renewed. UPS to pursue capital investments.
- Updates on postal matters published in the Federal Register.
- An update on DMM Advisory notices issued by the U.S. Postal Service.
- An update on business before the Postal Regulatory Commission.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- New member announcements

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





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The [Postalnews Blog](#) has reported that "Reports filed with the Postal Regulatory Commission this week show that the USPS has paid bargaining unit employees almost \$1.3 billion in overtime since the fiscal year began on October 1. That reflects an increase in overtime costs of \$56 million over the same period last year. The total year to date overtime rate is 7.5%, up from 6.8% in FY 2009. The rate of increase may be accelerating- in the two week pay period ended March 12, a relatively low volume time of the year, the USPS OT rate was 6.6% - for the same period last year the rate was 4.7%. Year to date clerk overtime jumped to 7.2% from 5.6% a year ago, while the mail handler YTD OT rate went from 8.8% to 10.7%. Mail handler OT for pay period 6 alone more than doubled from the prior year, at 9.2%, compared with 4.4% in 2009. City carrier overtime showed the lowest increase, up from 9.6% to 9.9% year to date. City carriers have also had a net decrease in overtime hours worked so far this year, a trend which has begun to reverse- last pay period city carriers worked almost 260,000 more overtime hours than in the same period last year. The only group showing a significant drop in overtime are rural carriers. Their overtime pay has dropped by \$7.7 million so far this year. Rural carriers overtime was already the lowest in the USPS, but the year to date rate has dropped to just 1.3% from last year's 1.6%."


April 1, 2010


While Canadian direct mail volumes hit a record low, new opportunities could begin to emerge. [Mintel Comperemedia](#), a service that provides direct marketing competitive intelligence, saw Canadian credit card acquisition direct mail volumes drop a staggering 57% from the all time high in 2008, of nearly 350 million pieces, down to barely surpassing 150 million in 2009.


 According to the [Washington Post](#), "The nation's top postal regulator struck back Thursday at suggestions that the end of Saturday mail delivery is near, cautioning customers that delivery cuts won't occur until her panel issues its opinions. Appearing on C-SPAN's "Washington Journal" (see clip above), Postal Regulatory Commission Chairman Ruth Goldway said the U.S. Postal Service's proposal to trim delivery to five days per week is a "multi-pronged process" that will require input from the PRC and lawmakers. "It's not a done deal by any means," Goldway said, noting that her commission will hold town hall meetings with concerned customers across the country and consult with lawmakers before making a final decision, which is expected by the fall."


 **Press Release:** "IWCO Direct, a leading, U.S.-based privately held provider of direct marketing solutions, announced it has successfully completed the acquisition of U.S. operations from Transcontinental Direct, a high-volume direct mail organization with facilities across the United States. The purchase price was approximately \$100 million. This transaction provides IWCO Direct a national footprint to further strengthen the company's exceptional ability to execute and deliver highly effective direct marketing campaigns."


 [Postal Regulatory Commission Chairman Ruth Goldway](#) talked this morning on C-Span about how the U.S. Postal Service is adjusting to the modern era of communication and shrinking volume of letters... and its proposal to pare mail service to five days a week."


 As the [Sacramento Bee](#) has noted, "The Pony Express turns 150 years old this weekend, and the old gray mare ain't what she used to be. When the fabled mail route started up April 3, 1860, it galloped directly into American mythology. It lasted barely 11/2 years, carrying mail between St. Joseph, Mo., and Sacramento and sometimes San Francisco."


 [Nikkei](#) has reported that "Japan Post Service Co. Said Wednesday it expects to book a 16.3 billion yen operating loss in fiscal 2010, its first red ink in eight years. The Japan Post Holdings Co. Group company said increased costs to absorb parcel delivery operations of a joint venture with Nippon Express Co. (9062) after its planned liquidation is likely to weigh on the postal firm's earnings."


 As the [Buffalo News](#) has noted, "President Obama on Wednesday signed legislation that bans the U.S. Postal Service from shipping cigarettes."

 In a piece on "Postman Pat," the [BBC](#) has written that "The growing use of email by local businesses in Pencoed will be seen to leave the iconic mailman and his black and white cat with little to deliver. He is to diversify into new delivery services, such as flowers and postal banking. "


 The [Edmonton Journal](#) has reported that "Canada Post is planning to outsource call centre jobs in a move that will impact about 300 employees across the country. Part of a plan to reduce costs in an era of declining mail volumes, the cuts are expected to begin by the first quarter of 2011."


 As [About.com](#) has noted, "Facing \$238 billion in losses over the next decade, the U.S. Postal Service (USPS) announced it will end Saturday mail delivery in 2011, unless Congress allows it to change the way it does business. If Congress does decide to save the Saturday mail, it will not be the first time."


 From [PRWeb](#): "OpenDNS, provider of the world's leading Internet navigation and security services today announced a partnership with the Postal Service to deliver highly relevant local search results to OpenDNS users--but only during normal postal service hours, excluding Sundays and major holidays (and possibly Saturdays too, though that's yet to be determined). "For years, people have raved about the Postal Service's current local search offerings. Customers eagerly await their weekly issues of the PennySaver, Val-Pak, and Potpurri, and we're excited to extend those same local business connections to online users with OpenDNS," said a director at the postal service."


 [Mad.co.uk](#) has reported that "The direct marketing industry has vowed to increase its waste reduction efforts after exceeding Government recycling targets. A report by the Direct Marketing Association and Royal Mail claims that 76.5% of direct marketing material is now recycled, ahead of the 2009 target of 55% agreed between the industry

and the Department for Environment Food and Rural Affairs (DEFRA). The recycling rate also beats the 2013 target of 70%."

 [The Scotsman](#) has reported that "Royal Mail bosses have been forced to pay out more than 130,000 in compensation to customers in Edinburgh and the Lothians as complaints climbed to 50 a day. New figures obtained by the News today reveal households in the EH postcode made a total of 17,148 complaints about lost, mis-delivered and damaged mail between April 2008 and March last year."

 According to the [Jackson Sun](#), "The United States Postal Service solicited input from postal regulators regarding a proposal to eliminate Saturday mail delivery. It sent the request via e-mail. The irony of the post office not using its own service speaks to the nature of how people communicate in the Internet age. Saturday mail delivery is an anachronism. Its time has passed."

 [WhatTheyThink](#) has reported that "BCC Software, a B WE BELL + HOWELL company and a leading developer of high-performance mailing technology solutions, will offer attendees at the 2010 National Postal Forum (NPF) a chance to win a \$500 American Express Gift Card during the show, set for April 11-14 at the Gaylord Opryland Convention Center in Nashville, TN. NPF attendees who registered for the annual event prior to March 26 will receive a postcard from BCC directing them to bring the card to Booth 132; once there, they may have their card's Intelligent Mail barcode scanned with a Mail Verifier Plus (MVP) unit on display in the booth. If the Serial Number embedded in the I'm barcode matches that of a pre-determined winner, the card's recipient will win the \$500 American Express Gift Card."

 [Hellmail](#) has reported that "A ballot by members of the Communication Workers Union is expected towards the end of next month. Thousands of workers at Royal Mail will have the opportunity to vote for or against an agreement established between the CWU and Royal Mail earlier this year. The agreement, overseen by ACAS, establishes a framework aimed at ensuring profitability for the Royal Mail but at the same time, providing more certainty over jobs, pay and working conditions. The deal also allows for more input from the CWU in terms of introducing change. "



From the Federal Register:

Postal Regulatory Commission

NOTICES

New Postal Product ,





16526 [2010 7280]


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


[DC Velocity](#) has reported that "Traditionally, regular shipping customers of UPS Inc. receive a daily visit from one of the company's drivers even if the customer has no packages to be picked up that day. Now, for small to mid-sized businesses, the delivery game has changed. Unveiled last week in New York, a new service called UPS Smart Pickup ensures that a UPS driver will stop at a location for a pickup only when there is a shipment to be picked up. The Atlanta-based giant said the service, which is now in effect, is ideal for customers who want the convenience of a scheduled pickup but who may not need to ship a package every day."


March 31, 2010


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


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

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

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

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

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


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





PostCom welcomes its newest members:


[The Hartford](#), One Hartford Plaza Hartford CN 60155 Contact: **Lucie Rossitto Marketing Production Manager;**


[Clark Group, Inc.](#), 5008 Lenker Street Mechanicsburg, PA 17050 Contact: **Marc Waldman**


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


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


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


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


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


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


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


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


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


 [NBC Miami](#) has reported that "Everyone knows the wait at the post office can take an eternity, so when a West Palm Beach father left his seven-month-old son in the car while he tended to his mailing needs, he probably should have known better. Seven Emeka Ezumba (that's right, the number), was charged with child abuse Tuesday for leaving his kid behind in a hot car as he dealt with postal bureaucracy for a solid two hours, according to the Sun-Sentinel. The youngster was taken to a nearby hospital after he was found with a high temperature and in distress outside the post office in the 3200 block of Summit Blvd. The car's window had been lowered a scant three inches." [*EdNote: Has the world gone mad?*]


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


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


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

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


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


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


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

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


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


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


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

 Revenues in the German CEP market fell considerably in 2009.


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

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

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

 Royal Mail has to charge VAT for some of its services in the future. The new rule will come into effect on February 1 next year. While standard services like 1st and 2nd Class Mail as well as registered mail will still be exempted from VAT, the post has to charge VAT on services like Special Delivery 9.00am, Royal Mail Tracked, Royal Mail Sameday and international services.


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

 Deutsche Post DHL restructured and expanded its agency network.

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



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

 Postal news from [Hellmail](#):

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

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

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

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