



## Association for Postal Commerce

---


1901 N. Fort Myer Dr., Ste 401 \* Arlington, VA 22209-1609 \* USA \* Ph.: +1 703 524 0096 \* Fax: +1 703 524 1871


---


### Postal News from May 2011:


*May 31, 2011*


 [BusinessInsider](#): "11 Things You Should Know About The U.S. Postal Service Before It Goes Bankrupt"


 [Federal Times](#): At Federal Times' request, the Postal Service provided a breakout of the impact on area offices, district offices and headquarters and HQ-related field units, such as the USPS accounting service center. The chart includes the initial number of positions, the projected level after the redesign takes effect and the difference between the two figures. (Fed Times has added the percentages.) Proportionately, the numbers show that area offices are taking the biggest hit, losing more than 27 percent of their posts. HQ and its field units get off much easier, with about a 16 percent reduction. District offices are in the middle.

 **UNITED STATES POSTAL SERVICE, Petitioner, v. POSTAL REGULATORY COMMISSION, Respondent.** *Petitioner's Preliminary Statement Of Issues To Be Raised.* 1. The PRC lacked authority under 39 U.S.C. §§ 101(d) and 3653(c) to order the Postal Service to increase the cost coverage of Standard Mail Flats. 2. The PRC's decision was arbitrary and capricious because it could result in less net income for the Postal Service.


 **DMM Advisory: New Postage Statements Available Online.** The June postage statements are posted on [Postal Explorer](#)<sup>®</sup>. These postage statements include minor changes to support the new roundtrip optical disc pricing for letters and flats and the upcoming Mobile Barcode Promotion. Mailers have the option of using either the April 2011 or June 2011 Postage Statements. However, if you wish to take advantage of the new pricing options, the June 2011 postage statements are required.

 [YourOttawaRegion](#): As Canada Post and its employees struggle to avoid a strike that could begin as early as June 3, Ottawa couriers, utility companies and other organizations directly affected by a mail strike are creating contingency plans to deal with the potential loss of mail delivery services. See also [CHQR](#).

 Posted on this site are the comments submitted by the Association for Postal Commerce (PostCom) in response to the USPS' proposed rules concerning [Intelligent Mail Package Barcode \(IMpb\) Implementation for Commercial Parcels](#).

 [The Atlantic](#): The US Postal Service is \$15 billion in debt, its revenue is down, and its long term outlook is dismal: every year, Americans communicate more via digital technology and less by sending paper around the country. On the verge of collapse, is the agency laying off employees and cutting compensation? Quite the contrary.

As reported by Devin Leonard in a lengthy Businessweek feature, salaries are rising and most USPS workers enjoy contracts specifying that they cannot be laid off, regardless of whether or not their employer can afford them.

 [At the Postal Regulatory Commission: Government Use of the Postal System: A Valuable USO Component](#) A paper by Michael J. Ravnitzky and J.P. Klingenberg presented at the Center for Research on Regulated Industries, Skytop. PA [[slides](#)]

- **Monthly Progress Report on Full-Service Intelligent Mail Participation and Compliance by Bulk First-Class Mail Customers**  
[http://www.prc.gov/docs/73/73113/Letter-5-31-2011\\_001.pdf](http://www.prc.gov/docs/73/73113/Letter-5-31-2011_001.pdf)
- **Workers' Compensation and Estimation Report for Fiscal Year 2010**  
[http://www.prc.gov/docs/73/73117/Letter-WC\\_ER\\_FY2010-5-31\\_001.pdf](http://www.prc.gov/docs/73/73117/Letter-WC_ER_FY2010-5-31_001.pdf)



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

**What is the Office of Audit and why do we blog?** The OIG's Office of Audit helps to maintain the integrity and accountability of America's Postal Service, its revenue and assets, and its workforce. Share your thoughts on this week's [blog](#).


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

New audit projects have been started on the external website.

- **[Plant Facility Use – 11XG031EN000](#)**. The Postal Service used Air Mail Centers (AMCs) to sort and transfer mail to and from air carriers. In 2005, the Postal Service had 80 AMC facilities located on expensive airport properties throughout the United States. However, as a result of declining mail volume combined with increases in network costs the Postal Service has been forced to cut costs. One initiative is the elimination of AMC facilities by transferring the mail processing functions in the AMCs to processing plants. This was done to achieve savings from the elimination of facility costs on airport property. Most AMCs are no longer operating. We would like to review the status of the former AMC facilities and determine if savings have been achieved.
- **[Post Office Discontinuance Guideline – 11XG035EN000](#)**. With declining mail volume, changing consumer needs, and nearly 100,000 locations to access postal products and service, the Postal Service is renewing its efforts to optimize its 32,000 brick and mortar postal-operated retail facilities. In March 2011, the Postal Service proposed new rules to amend postal regulations to improve the Post Office closing and consolidation process. The proposed changes provide new flexibilities for the Postal Service to pursue a single set of discontinuance procedures for Postal Service-operated retail facilities, more indicators for the district or headquarters to consider whether a particular facility warrants closing, and cycle reduction time. Our objective is to assess the Postal Service's draft Post Office Discontinuance Guide for the retail facility closing and consolidation process. What criteria should the Postal Service use to transform its retail network to meet future consumer needs?



According to postal commentator [Gene Del Polito](#), "The clamor from House Republicans for the Postal Service to do something to reduce its costs continues unabated. Yet no one in Congress, including those clamoring Members, have the stomach to face the unhappiness of their constituents if the Postal Service should choose to reduce its costs by closing or consolidating a postal facility within their state or district. "Down-size, right-size, do anything to reduce costs, but please, oh please, don't do so in my back yard."

 One of our correspondents passed on the following, which seems aptly to describe how Congress and the Administration have chosen to deal with the Postal Service's retiree funding mess.

Of moral courage, Mark Twain wrote 110 years ago in reply to an inquiring newspaper editor:

*My Dear Sir, But you are proceeding upon the superstition that Moral Courage and a Hanking to Learn the Truth are ingredients in the human being's makeup. Your premises being wild and foolish, you naturally and properly get wild and foolish results. If you will now reform, and in future proceed upon the sane and unchallengeable hypothesis that those two ingredients are on vacation in our race, and have been from the start, you will be able to account for some things which puzzle you now.*



As postal commentator [Gene Del Polito](#) put it: "The Court of Appeals of the District of Columbia has remanded the decision made by the Postal Regulatory Commission on the Postal Service's exigency rate increase request. Right after the Court's decision was made public the postal rumor tom-toms began beating out the warnings that this move by the court could signal another round of postal rate increases. Welcome to the silly season."

[Financial Times](#): "In terms of the competitive landscape, I don't think there will be [consolidation following the privatisation of the Royal Mail in 2012]. The way that the regulator and the government have rejigged the pricing of the sector seems to set Royal Mail up pretty well for its role in the future. The government is now enforcing its universal service obligation in a much more aggressive way. "The recent price rises have ensured that the Royal Mail gets an efficient return on its capital for the universal service, which effectively means it has secured its position as the leading door-to-door provider. This now means it is very difficult for other firms to provide anything other than an access service. "In short, competition has been watered down – and will now be largely restricted to access providers – those companies providing front-end access to Royal Mail downstream services. "The unions have won hands down on this one.

[Statesman Journal](#): Like any longtime business facing financial trouble, the U.S. Postal Service needs to retool and reconsider its current services, including Saturday delivery. Like twice-a-day delivery, which ended in 1950, Saturday delivery doesn't make economic sense anymore. If a Saturday delivery is absolutely required, it could get to your house special delivery for an additional fee, or by another carrier.


[Canada.com](#): The only panic sparked by the threat of a Canada Post strike is concern that no one will notice. After all, this is the age of online banking, iPhones and digital communication, after all. The Canadian Union of Postal Workers gave Canada Post an ultimatum Monday, saying it will go on strike as early as Thursday night if the Crown corporation rejects its latest offer for a new collective agreement.


[Marketing](#): Cost of Australia Post business mail services set to rise as proposal receives preliminary approval from the ACCC.

[Montreal Gazette](#): With a postal strike possible as of midnight Thursday, it's high time for our federal government to wake up and reform Canada Post, an organization that's a constant drag on this country's productivity even when it's operating normally. We need competition in mail delivery, a reform that has paid large dividends in countries all over the world.


[Reuters](#): With the split of PostNL from the international express arm of its Dutch parent group TNT legally finalised on Tuesday, many think Chief Executive Harry Koorstra is faced with the impossible challenge of rescuing the postal business from terminal decline, requiring ever deeper cost cuts and lay-offs. He doesn't see it that way.


[Post & Parcel](#): The US Postal Service is set to release its initial ideas on how it could develop digital or hybrid mail services this summer. Paul Vogel, the USPS chief marketing officer, told the Mailers' Technical Advisory Committee (MTAC) last week that his team had been wading through "thousands" of ideas that have been put to the Postal Service regarding possible strategies to move into new forms of electronic communications. "There's been no shortage of ideas of what the Postal Service should be doing," he said. "We can't implement them all – we're trying to narrow down the field in terms of what we can implement without Congressional approval." But Vogel then added: "We will have at least a proposal within the next month or two."


 [Yuma Sun](#): The American mail system is not alone in its problems. Mail systems in other nations are also suffering from the loss of revenue due the movement to online email and social networking which has eliminated much private party mail. Many business transactions are now conducted online too. Clearly, control of costs - including closing unneeded post offices and adjusting delivery days — will be needed. Innovation will also be required to offset the losses in traditional first class mail.

 [Toronto Star](#): Mail service could be disrupted on Friday as the union representing 48,000 postal workers has set a strike deadline of 11:59 p.m. Thursday. The Canadian Union of Postal Workers served 72 hours' formal notice on Monday, as required under federal labour law, but said it was committed to negotiating up to deadline. See also [CTV](#).


*May 30, 2011*


 [Lifehacker](#): If you're planning a big clearout via eBay, it might make sense to do that before the end of June. On July 4, Australia Post will start incorporating a 1% fuel surcharge into the price of parcels, Express Post packages and all international letters and parcels. Australia Posts says the surcharge is in response to rising fuel costs. The initial 1% surcharge will be locked in for three months, after which the proposal will be reviewed. Under that change, a single DL Express Post envelope will rise from \$4.80 to \$5.05. (There's a full list of price changes on the [Australia Post site](#).)

 [NEXT](#): The Nigerian Postal Services (NIPOST) has partnered with Nigeria's leading electronic and switching payment company, eTranzact International Plc, to increase access to epayment services in Nigeria. The partnership with NIPOST is in line with eTranzact's mission to provide convenient epayment services to Nigerians.


 [TVNZ](#): The Christchurch earthquake will wipe \$35 million to \$40 million off the New Zealand Post group's profit, reflecting increased provisioning for bad debts at Kiwibank, reconstruction costs, and reduced economic activity in the country's second-biggest city. Those write-downs are the main factors in NZ Post warning today it will report a profit well below its published target of \$60.8 million for the year to June 30. See also [New Zealand Herald](#).


 [The Star Phoenix](#): Negotiations between Canada Post and its employees have stalled.

 [PostCom Commentary](#): On May the 26th, Bloomberg Businessweek published a story on the U.S. Postal Service (USPS) entitled: The U.S. Postal Service Nears Collapse. The article was co-written by two journalists, one of whom I've known for several years and have assisted in providing background for a number of pieces that were published. I would have expected the Businessweek piece to be a probing inquiry into the Postal Service's troubles with a clear eye on what exactly was at stake for the nation as a whole and the sizable section of the economy that relies on mail as a vehicle for transacting communication and commerce. I didn't get anything for which I would hope. Instead, all I got was a regrettable sense of disappointment.

 [Warehouse & Logistics News](#): DHL Express, the world's leading express mail service provider has selected advanced web services from NetDespatch to allow consumers and small businesses to access its Same Day delivery services more easily wherever they are. The DHL Same Day service enables parcels to be delivered on the same day in the UK, seven days a week. The NetDespatch eTrader system allows DHL Same Day services to be accessed by customers at home, in their office, or on the move.

*May 29, 2011*


 [680News](#): While it has been business as usual at the Canada Post this week, things appear poised to change at any time. A statement on the Canadian Union of Postal Workers website warns that "all members should be prepared to participate in strike action in the very near future." Earlier Saturday, it was believed a strike might occur on June 1, but the Canadian Union of Postal Workers did not give a 72 hour strike notice as meetings wrapped up for the day.


 [Hellmail](#): Post Offices have experienced a major cull, Postwatch has gone, Postcomm is to follow, and even Consumer Focus is to be broken up with many of its responsibilities passed on to other bodies including Citizens advice which is predominantly a voluntary organisation. Regardless of who supervises the postal sector and implements the will of the EU, it costs someone money. Increasing charges just sends more customers into the digital abyss, ultimately accelerating decline as a result of a quick-fix attempt to claw back lost revenue. There is no consensus on downstream access prices either with each side claiming they are the losers. You get the impression that Liberalisation wasn't thought out properly.


 [Hellmail](#):


- [Cautious Appraisal From Consumer Focus On Royal Mail Performance](#)
- [Postcomm Seeks Feedback On Market Analysis](#)
- [Paper To Determine UPU Projects](#)
- [Secured Mail Attracts Next Wave Of Investment](#)


*May 28, 2011*

 [The Times of India](#): The members of postal department employees' joint action committee held a sit-in agitation outside the office of postmaster general Pune on Thursday to protest against the staff crunch and inadequate infrastructure at workplaces. A memorandum of demands was submitted to the postmaster general, demanding an immediate action over it. The task force has threatened to go on an indefinite strike from July 5, if the demands are not considered.


 [Sky News](#): A state-owned former monopoly beset by industrial strife and commercial malaise: although Moya Greene would have known what she was letting herself in for when appointed a year ago as head of Royal Mail, she might not have realised the scale of the problems.


 [The Chronicle Herald](#): The union executive for urban workers at Canada Post said it would meet with its bargaining committee on the weekend to plan their next move as there was a pause in talks aimed at averting a strike. The Canadian Union of Postal Workers issued a statement that said there was little progress in negotiations Friday on issues such as staffing, workload and safety.

 [The Times of India](#): The residents of Gurgaon lodged a police complaint against the Indian Postal Services on Friday alleging that the department sold several tonnes of undelivered post to scrap dealers.

 [The Barrie Examiner](#): Labour unrest at Canada Post has led to Simcoe County developing a contingency plan to distribute social assistance cheques.

*May 27, 2011*


 [The Telegraph](#): Royal Mail missed its target to deliver 93 per cent of all first-class letters the following day, blaming last winter's very snowy weather and the volcanic ash cloud for disrupting its service.

 **DMM Advisory: Adult Signature Service.** Adult Signature is a new extra service that will provide a method for customers to obtain a signature (upon delivery) from an adult recipient who is 21 years of age or older. This new extra service will be available beginning June 5, 2011, to commercial and online customers who use Express Mail<sup>®</sup>, Priority Mail<sup>®</sup> (including Critical Mail<sup>™</sup>), Parcel Select<sup>®</sup> barcoded nonpresort, and Parcel Select Regional Ground services. The standards will be incorporated into the July online DMM<sup>®</sup> update. Adult Signature service has two options:

- **Adult Signature Required** — requires the signature of someone who is 21 years of age or older at the recipient's address.

- Adult Signature Restricted Delivery — requires the signature of a specific addressee (or authorized agent), who must be 21 years of age or older.

See the complete details on the Adult Signature Service final rule [Federal Register](#), which was posted today on the [Postal Explorer](#)<sup>®</sup> website.

 **Contractor Perspective:** Did the U.S. Postal Service's lack of procurement regulations inadvertently help USPS officials carry out a \$13 million bribery scheme over several years? Five Postal Service employees were indicted in May 2011 by a Detroit, MI grand jury for taking bribes and steering as much as \$13 million in vehicle maintenance work to a private contractor. Could this scheme have been prevented, or caught earlier, if USPS had not abolished its procurement regulations in 2006?



Did you miss the webinar on a new approach to postal costing? Never fear. You can listen to the webinar recording by going here: <https://www1.gotomeeting.com/register/654081881>. You can read the paper upon which the webinar was based [[paper](#)] and you can view the slides that were part of the presentation [[slides](#)].



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

- CoMail, CoPal, Comingle Clarified Join PostCom for a FREE webinar on June 16, 1:00 pm Eastern. Register now, as space is limited: <https://www1.gotomeeting.com/register/571322673>
- The USPS Chief Financial Officer Joe Corbett updated the USPS' outlook for FY2011, as well as provided FY2012 projections. The original FY2011 projections were provided in its Integrated Financial Plan (IFP) and have been updated based on the first six month postal performance, ending March 31, 2011.
- The Postal Service published its unaudited April results with the Postal Regulatory Commission. USPS lost \$747 million in April 2011. The year-to-date loss for FY2011 is \$3.3 billion. The Postal Service's controllable operating loss for the year would be \$112 million if it did not have over \$3.1 billion in retiree health fund prepayment or workers compensation.
- USPS executive vice president and chief operating officer Megan Brennan told attendees of this week's Mailers Technical Advisory Committee (MTAC) that weather challenges between January 1 and March 31, 2011, contributed to the USPS' Quarter 2 FY 2011 service performance. Brennan gave an update on Quarter 3 service performance scores to date, noting a continuous focus by the Postal Service on using service data and improving performance.
- Paul Vogel, USPS President and Chief Marketing Officer spoke to MTAC about some of the current and future initiatives the marketing group is pursuing.
- USPS vice president of product information Jim Cochrane told the MTAC audience earlier this week that Quarter 3 results to date (April 1 through mid-May 2011) show a significant increase in migration to Intelligent Mail barcode (IMb) use. He also told MTAC meeting attendees that the USPS IMb Full-Service "certification" process has been suspended.
- Trying out a new agenda format idea, this week's Mailers Technical Advisory Committee (MTAC) meeting featured two industry panels designed to provide the USPS with a "pulse of the industry." The panels and the audience gave some market and volume insights as well as the concerns and issues their industries are facing when it comes to mail.
- The USPS Office of Inspector General (OIG) released its report this week on the overall efficiency of the processing and distribution network for FY2010. By reducing 14 million workhours by the end of FY2013, the Postal Service could avoid costs of more than \$647.5 million based on workhour savings for 1 year.
- James Gattuso of the Heritage Foundation asks, "is the end near for the U.S. Postal Service?"
- How many federal and postal employees are eligible to retire? Zumbox announces Digital Postal Mail Appliance. Court of Appeals releases exigency decision. Senator Collins issues statement on Court of Appeals decision. AMA comments on Court of Appeals decision. Postal Service won't ask to boost debt limit. Murkowski: USPS move poses threat to Alaskan service. USPS carbon accounting pilot could lead to offset service. CSC wins \$42M USPS logistics contract. Big banks join the battle for online payments. USPS provides update on new organization structure. OIG releases FY2010 SOX testing report. 8 ways to



cut government spending. The U.S. Postal Service nears collapse. In memory of USPS retirements aplenty. MTAC Vice Chair elections in August. More MTAC news in PostCom's PostOps Update.

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

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



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

[Consumer Postal Council](#): The Index of Postal Freedom's Market Comparisons."Market Comparison #2 - Letters Per Postal Worker "



[Postal Journal](#): "**The Next Steps in Postal Reform.**" The enactment of the Postal Accountability and Enhancement Act (PAEA) in 2006 came as a last minute surprise to most of the mailing industry and the Postal Service. Although reform efforts had been underway for more than a decade, the final compromises were struck in a matter of days. But the new law came and the law itself made it clear that this was only the first step in Postal reform. The law mandated multiple studies, directed a newly empowered regulator to begin a major detailed rulemaking process, and directed that a review of the law be conducted after 5 years. Today with the postal system experiencing extreme financial stress, the question has become: "how should the successes and shortcomings of postal reform to this point be judged and what have we learned that might guide the next round of reform?" because it is even clearer today that "reform" is not over. [\[Full paper\]](#) [\[Presentation Slides\]](#)




[Postal Journal](#): "**The Postal Service Role in the Digital Age – Expanding the Postal Platform.**" In a paper presented at the 30th Annual Eastern Conference on Regulation and Competition, the authors concisely describe a future for the Postal Service in a digital world. This post contains excerpts. The full paper and presentation illustrate in more detail how the authors, David Asher and Bruce Marsh of the Risk Analysis Research Center (RARC) of the U.S. Postal Service Office of Inspector General (OIG) and John Callan, an independent consultant with Ursa Major Associates. understand this important issue. [\[Paper in Word format\]](#) [\[Presentation Powerpoint\]](#)


[MotorCycleNews](#): It's £6100, manageably powerful, made in Bologna and a Ducati - but will it displace the 696 Monster on many entry-level Duke wishlists? Possibly not, despite besting it on weather protection and tank range. It's the latest, as yet unannounced iteration of the FreeDuck hybrid quadricycle (a car you can drive on a bike license). And yes it is made by Ducati - albeit Ducati Energia, not Ducati Motor Holding, the sibling firm from which it split in 1948. Find a Ducati for sale The FreeDuck combines a 100cc four-stroke single with twin wheel-mounted electric motors, and its chief advance over previous versions appears to be plastic doors (they used to be fabric). It takes eight hours to charge and has so-far proved popular with postal services in Croatia and Belgium.





[The Korea Herald](#): Korea Post said it will upgrade its postal and banking services to prepare for market consolidations with the coming of more free trade pacts. Delivering a two-year plan, its president Kim Myong-ryong

stressed the importance of providing better services as a state-run agency connecting supply chains and circulating money across the country.


 [660News](#): The Canadian Union of Postal Workers says they will file 72-hour strike notice on Friday. The union says they need to draw a line in the sand in their negotiations with Canada Post. The two sides have been in negotiations since last fall. See also [Canada NewsWire](#).

 [Supply Chain Market](#): Psion PLC recently announced the general availability of its latest rugged enterprise PDA, the EP10™ in all its major markets. The device is aimed at users that require a feature-rich, small form factor, robust mobile computer. Perfectly suited for applications as diverse as field service, postal and courier delivery, ticketing and event management as well as transportation and security.

 [West End Extra](#): Postal workers have voted in favour of strike action over plans to close three mail centres.

 [The Journal Times](#): The U.S. Postal Service has teamed up with stores to provide services that are more convenient to customers. To find a location to purchase stamps, ship a package or renew a passport, visit the Web, [www.uspseverywhere.com](http://www.uspseverywhere.com) and input a ZIP code.

 [Bloomberg Business Week](#): The separation of Dutch postal and express company TNT NV has nearly been completed as shares of the company's two arms began trading separately on Thursday. TNT NV shares stopped trading Wednesday at euro16.60 (\$23.35). Shareholders now have one share in PostNL, the mail business, trading around euro7.28, and one in TNT Express NV, trading around euro9.50. See also [DutchNews](#).

 [Transport Intelligence](#): The launch of TNT Express on the Amsterdam stock exchange yesterday was paralleled by mutterings about Deutsche Post DHL's corporate strategy. ncluded rejecting suggestions that Deutsche Post's mail business could be separated from the rest of the company as TNT has done. He asserted in his speech to shareholders that, "The Mail division remains an important value contributor. **We shall continue to adapt our core business to the changing mail market and continue to work hard on the realisation and marketing of innovative solutions for electronic communication and the booming e-commerce market.**" [EdNote: Here in the U.S., we have a "digital strategy" that still "is not ready for prime time." Which sounds like no digital strategy at all.]


 *From the Federal Register:*

### Postal Regulatory Commission



#### PROPOSED RULES

Periodic Reporting ,

30893–30894 [2011–13158]      [\[TEXT\]](#) [\[PDF\]](#)

 [CBC](#): Talks continue between Canada Post and postal workers, but a disruption in service is looking more possible with each passing day. If there's a strike or lockout, delivery could stop as early as Monday.



 [Bloomberg Business Week](#): **Delivery of first-class mail is falling at a staggering rate. Facing insolvency**, can the USPS reinvent itself like European services have—or will it implode? [EdNote: [Listen to the podcast behind the story.](#)] 


 *At the Postal Regulatory Commission:*


- **On-Roll and Paid Employee Statistics (ORPES)**, April, 2011 (Pay Period 09, FY 2011)  
[http://www.prc.gov/docs/73/73088/ORPES\\_APR\\_PP09\\_2011.pdf](http://www.prc.gov/docs/73/73088/ORPES_APR_PP09_2011.pdf)  
[http://www.prc.gov/docs/73/73088/ORPES\\_APRIL\\_2011-PP09-FY\\_001.pdf](http://www.prc.gov/docs/73/73088/ORPES_APRIL_2011-PP09-FY_001.pdf)





- **Postal Service Active Employee Statistical Summary** (HAT report), Pay Period 11, FY 2011  
<http://www.prc.gov/docs/73/73090/HAT%20Report%20%20PP11%20FY2011.pdf>  
[http://www.prc.gov/docs/73/73090/HAT\\_PP11\\_FY2011\\_001.pdf](http://www.prc.gov/docs/73/73090/HAT_PP11_FY2011_001.pdf)
- **National Payroll Hours Summary Report, Pay Period 09, FY 2011**  
<http://www.prc.gov/docs/73/73089/National%20Payroll%20Hours%20PP09%20FY2011.pdf>  
[http://www.prc.gov/docs/73/73089/NPHS\\_PP09\\_FY2011\\_001.pdf](http://www.prc.gov/docs/73/73089/NPHS_PP09_FY2011_001.pdf)

*May 26, 2011*

 **USNews:** Many businesses trying to weather tough economic times have cut costs in straightforward ways--cutting back on printing, being more energy-efficient, and eliminating needless spending. Facing its own budgetary crises, the U.S. government did not follow suit. While the president and members of Congress are engaged in complex negotiations over cuts in entitlement programs, there are many smaller, simpler ways to trim excess fat. Below are eight ways that the government can cut spending. Though they cumulatively add up to barely a dent in the federal budget as a whole, they are a reminder that arguably pointless spending is widespread in the vast government bureaucracy: (1) Stop Mailing a Record of Everything that the Government Does; (2) ...And End the Printing of Everything Congress Says; (3) Eliminate Saturday Postal Delivery.

 **PRNewswire:** With the largest civilian fleet in the world — more than 214,000 vehicles traveling more than 1.2 billion miles each year — the U.S. Postal Service knows a lot about vehicles and tire pressure. Summer driving season is approaching and the Maintain Tire Pressure postage stamp helps remind motorists that proper tire pressure can help improve gas mileage. It's one of the 16 Go Green Forever stamps issued by USPS.

 **Washington Post:** What is the right size of the federal government? A House subcommittee will examine that question Thursday morning as it considers proposals to limit the size of the federal workforce. Several plans to cut the workforce have been pushed by congressional Republicans and the National Commission on Fiscal Responsibility and Reform as a means to improve the nation's finances. The House Oversight and Government Reform subcommittee on federal workforce, U.S. Postal Service and labor policy has scheduled testimony from two members of Congress who will explain their plans to cut the number of federal employees. See also [Wayne Independent](#).


 **Bradenton.com:** CSC announced today that the U.S. Postal Service (USPS) awarded the company a contract to provide management, operational and logistical support for its mail transport repair facility located near Los Angeles, Calif. The contract, which has a three-year base and two two-year options, has an estimated total seven-year value of \$41.74 million. CSC won the contract during the company's fiscal 2011 fourth quarter. Under the terms of the contract, CSC will provide program management, information systems support and logistical services at the 189,000 square foot facility, where more than 50 million pieces of mail transport equipment are processed annually. CSC employees will receive, examine, route, repair or recycle/dispose of mail transport equipment and will work to continuously improve equipment processing, repair and distribution functions.





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


- [Assessment of Overall Plant Efficiency 2011 \(NO-MA-11-004\)](#). We found the Postal Service could improve operational efficiency in the areas of overtime hours, mail handling, automated and mechanical equipment, allied operations, and manual operations. This would allow the Postal Service to reduce more than 14 million workhours by the end of fiscal year 2013 and achieve at least median productivity levels in the network. Additionally, the workhour reduction would allow the Postal Service to avoid costs of more than \$647.5 million based on workhour savings for 1 year.


- [Facility Optimization – Former Southeast Area Districts \(DA-AR-11-007\)](#). In the former Southeast Area, the North Florida, South Florida, and Tennessee districts have nearly 3 million more square feet than their workload suggests they need. By optimizing the excess space through disposal, outleasing, subleasing, or development, the Postal Service could realize more than \$150 million over typical and remaining lease terms.
- [Fiscal Year 2010 Sarbanes-Oxley Testing for Selected Business Processes \(FT-MA-11-003\)](#). We found the SOX Program Management's Office (PMO) properly tested, documented, and reported its examination of key controls within the air transportation, highway transportation, and personal property/equipment processes. However, for the compensation, benefits, and motor vehicles processes, we determined the documentation was insufficient to allow it to replicate the SOX PMO's testing or reach the same conclusions.


 [CNET News](#): Google, which is widely expected to unveil a long-rumored mobile-payments system on Thursday, will dub the service "Google Wallet." Google reportedly plans to introduce the service initially in New York, San Francisco, Los Angeles, Chicago and Washington, D.C., as well as partnering with MasterCard and Citigroup to allow the financial giants' customers to use their debit and credit cards to pay for purchase from their Android smartphones.


 [Wall Street Journal](#): Three of the nation's largest banks are racing into the growing battle over how consumers move money and make payments, launching a service Wednesday that lets people use their checking accounts to send each other money with an email address or cellphone number. Customers want to move payments from paper to electronic methods. Google Inc. has its own designs on the payments business. Americans will soon have an unprecedented number of payment options that could further reduce the use of traditional methods. The services from both Google and the banks will rely on the cellphone, which could soon become the digital wallet promised for more than a decade.

 [Wall Street Journal](#): "Even Tornadoes Won't Stop Mail in Joplin."

 [NEXT](#): Hundreds of retirees of the Nigeria Postal Services (NIPOST), yesterday embarked on protest in Abeokuta, the Ogun State capital, accusing the Federal Government of not paying them their pensions for 72 months.

 [Bloomberg Business Week](#): TNT NV's shareholders approved the spinoff of the Dutch postal operator's express unit, clearing the way for a possible bid for the former division from competitors such as FedEx Corp. or United Parcel Service Inc. A majority of 99.73 percent approved the proposal today at a shareholders' meeting in Schiphol-Rijk, Netherlands. Shares of the former unit, TNT Express NV, will start trading tomorrow on the NYSE Euronext exchange in Amsterdam, with TNT NV stock trading under the new name of PostNL NV. See also [DutchNews](#).

 [Times of India](#): Postal employees held a day-long protest in front of the main post office here on Wednesday demanding better facilities and regularization of posts of daily wage workers.

 [Montreal Gazette](#): Canada Post is struggling to reach a deal with its employees. The threat of a strike again hangs over the nation's postal service. Does anyone care? In an age of email and Internet banking, just how relevant is snail mail delivery to Canadians anyway? Canada Post faces several challenges as it tries to remain a household name. Some experts say the Crown corporation needs to widely expand the services it offers in order to survive, while others contend it's time to at least partially privatize mail delivery.


 *From the Federal Register:*


## **Postal Service**


### **RULES**


Adult Signature Services ,


30542–30544 [2011–13029] [\[TEXT\]](#) [\[PDF\]](#)


 [Financial Times](#): US e-book revenues grew 146 per cent in March, compared with the same month of 2010, according to the American Association of Publishers. For some commentators, this is the end of days. Whether publishers subscribe to the apocalyptic or to the ecstatic view, they know they cannot stand still. The rise of digital devices is rewriting their business model. Functional distinctions in publishing are already blurring, as online and digital sales rise.


 [The Herald News](#): the U.S. Postal Service's Southeast New England District Office, which administers operations for Fall River, Taunton, Brockton and New Bedford, and nearly 300 other operations, are being folded into the Connecticut Valley District. It's part of a national effort by the cash-strapped postal service to downsize — eliminating 7,500 jobs in order to save \$750 million a day, officials said.

 [KTVA](#): The U.S. Postal Service has lost billions of dollars this year alone. Now, officials are making cuts nationwide, including in Alaska.

 [Business First](#): United Parcel Service Inc.'s Shenzhen, China hub is marking one year of operations by adding new direct service to Guam. In June, UPS will start a direct weekly flight from Guam to Hong Kong, linking that U.S. territory to the rest of the world. Read more: UPS adding direct service to Guam | Business First.

 [The Moral Liberal](#): Is the end near for the U.S. Postal Service? Things certainly look grim at USPS, which has suffered four straight years of red ink. Last week came more bad news, with postal officials reporting a \$2.2 billion dollar loss for the second quarter. Perhaps more disconcerting, they predicted that by September the Postal Service will run out of cash and default on a payment owed to the U.S. Treasury for retiree benefits. While a sour economy and high fuel prices have certainly taken their toll, the cause of these troubles isn't hard to find. The fundamental problem is the computer or mobile device you may be looking at right now. E-mails, online bill payments, even digital greeting cards are taking the place of paper and stamps. All told, the total volume of mail has dropped more than 20 percent since 2006. The post office is on the wrong side of the information revolution.


 [Courier, Express, and Postal Observer](#): The Wall Street Journal has reported that a number of private sector economic forecasters are toning down their economic forecast for the rest of 2011. Slower economic growth is not good for the USPS as it means less revenue across all mail classes. Slower economic growth is one of the factors that CFO Joe Corbett noted which could cause a July 2012 shut down date to happen sooner when he spoke at MTAC today.

 [Courier, Express, and Postal Observer](#): Twitterer, nonprofitpostal tweeted today that Joe Corbett, USPS CFO, stated that "assuming no legislation, and no worse news, the USPS starts shutting down July 2012 when it runs out of operating cash." This makes for a rather interesting political problem for Congress. If Congress doesn't act, the Postal Service would shut down just before the Republican National Convention. This timetable almost guarantees that if nothing is done the future of the Postal Service could become a hot topic for Republican candidates during later primaries, and talk radio, cable news, and the blogosphere during what could be relatively slow political news cycle in the weeks prior to the convention.

 *At the Postal Regulatory Commission:*


- **National Trial Balance**, April, 2011 (FY 2011); and Statement of Revenue and Expenses, April, 2011 (FY 2011)  
[http://www.prc.gov/docs/73/73072/National Trial Balance - Redacted, April, 2011 \(FY 2011\).xls](http://www.prc.gov/docs/73/73072/National%20Trial%20Balance%20-%20Redacted,%20April,%202011%20(FY%202011).xls)  
[http://www.prc.gov/docs/73/73072/Statement of Revenue and Expenses - Redacted, April, 2011 \(FY 2011\).xls](http://www.prc.gov/docs/73/73072/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20April,%202011%20(FY%202011).xls)


*May 25, 2011*


 [The Canadian Press](#): Canada Post and the union representing postal workers could be back at the table today for another round of intensive negotiations aimed avoiding a labour disruption.





[Affordable Mail Alliance](#): On Tuesday, May 24, the D.C. Circuit issued its decision in the exigency rate case appeal. The decision, while not the end of the litigation, is a major step in that direction. On the central issue in the case, the court agreed with the Postal Regulatory Commission (“PRC”) and the mailers (including the Affordable Mail Alliance) that the requirement contained in the Postal Accountability and Enforcement Act of 2006 that an exigent increase be “due to” the exigent circumstances requires a causal nexus between the exigency and the increase. The court sent the case back to the PRC for more explanation of how close or tight the nexus must be, especially when the Postal Service’s losses have multiple causes. The court emphasized that the PRC would have wide discretion in resolving this issue.


 [Courier, Express, and Postal Observer](#): Heigi Toliver-Nigro in a post in the Digital Nirvana Newsletter provides another example as to why mail continues to thrive as an advertising media. Google needs it to reach potential customers for its ad words and other on-line advertising services.


 [Courier, Express, and Postal Observer](#): In response to two questions as part of an interview posted on the company's website, Deutsche Post CEO Frank Appel provides a description of Deutsche Post's strategy for mail. His response raises a couple of questions for those thinking about ensuring a self-sufficient United States Postal Service.

 [ThisIsMoney](#): Royal Mail's £8.4bn pension black hole will be dumped on taxpayers within months, the government has revealed. Deficit: Pensions of postal workers will be taken on by the taxpayer. The desperate bid to find a buyer for the embattled company will leave taxpayers footing a bill equivalent to £330 for every family in Britain.


 [The Baltic Course](#): The Estonian Competition Board is stalling the plan of the state-owned postal company Eesti Post to buy competitor Express Post, since with the purchase, the position of the letter delivery monopoly would strengthen further; additional proceedings can last till autumn.

 [Belfast Telegraph](#): Government plans to privatise the Royal Mail have moved a step closer as legislation cleared its passage through the House of Lords. The Postal Services Bill will return to the Commons on June 9 for its final stage before being granted Royal Assent. The Government has said it has made a series of amendments to “further strengthen” the legislation.

 [Mainichi Daily News](#): Strict legal divisions between the smaller companies under Japan Post Holdings Co. have seriously hobbled the company's efforts to restore full postal services in disaster-struck northeast Japan.

 [Post & Parcel](#): The US Postal Service is to pilot a new carbon accounting system from next month, which could pave the way for a full carbon offsets program to counter the environmental impacts of shipping services. The pilot is scheduled to begin implementation in June, and will initially be available for business customers using the Electronic Verification System (eVS). It would allow them to calculate carbon emissions for packages for carbon accounting and corporate social responsibility reporting. Free of charge, the service will take the form of an online calculator and reporting function within the eVS system.


 [Reuters](#): Q+A-Split of Dutch mail and express group TNT


 **Associated Press:** The federal Court of Appeals for the District of Columbia on Tuesday told the commission to reconsider its rejection of the Postal Service's request last fall to raise rates. The court said the commission was correct in concluding that, to get the unusual rate increase, the post office must show that the problem is due to unusual circumstances, but was wrong in insisting that the amount of the increase precisely match the losses caused by those circumstances.


 *From the Federal Register:*


**Postal Regulatory Commission  
NOTICES**

Post Office Closings; Appeals ,  
30405–30407 [2011–12910]     [\[TEXT\]](#) [\[PDF\]](#)  
Post Office Closings ,  
30407–30408 [2011–12821]     [\[TEXT\]](#) [\[PDF\]](#)

 **Dead Tree Edition:** Mailers may be facing an unexpected, emergency increase in most postal rates later this year because of an appeals court decision that was issued today.


 **Senator Lisa Murkowski** has sent a letter to Postmaster General Patrick Donahoe, warning him the impending restructuring and relocation of Alaska's Western Area Distribution Networks office to Denver without a transition period is short-sighted. "Alaska's mail service is more complicated than the majority of systems nationwide," said Murkowski. "I understand the United States Postal Service needs to rethink everything to keep its costs under control, but this position has a steep learning curve."


 **Washington Times:** Officials at the U.S. Postal Service proudly point out that they don't take a dime of taxpayer funding, but they do accept billions of dollars in government loans. With the Postal Service nearing its borrowing limit of up to \$15 billion from the Federal Financing Bank (FFB), an arm of the Treasury Department, officials say they have no plans to ask to borrow even more money.

 **Canada.com:** Canada Post called an offer tabled by the Canadian Union of Postal Workers "a step backward" when the Crown corporation formally responded to the contract proposal on Tuesday. In a news release, Canada Post said the proposed offer would add \$1.4 billion in new costs to Canada Post and does not offer concrete solutions to address the challenges posed by declining letter mail volumes.

 *At the Postal Regulatory Commission:*

- **USPS Preliminary Financial Information** (unaudited), April, 2011  
[http://www.prc.gov/docs/73/73055/APR-11\\_PRC\\_-\\_Final.pdf](http://www.prc.gov/docs/73/73055/APR-11_PRC_-_Final.pdf)
- **ACR2010** Statement of the American Catalog Mailers Association in Support of the Postal Service's Motion for a Stay of the Remedial Provisions Regarding Standard Flats Set Forth in the FY 2010 Annual Compliance Determination  
[http://www.prc.gov/docs/73/73007/ACMAStmntInSpportOfStayReqst\\_ACR2010.pdf](http://www.prc.gov/docs/73/73007/ACMAStmntInSpportOfStayReqst_ACR2010.pdf)

 **Global Address Data Association:** The Global Address Data Association published today a paper by the Executive Director inspired by discussions at the UPU concerning the new strategy and work program agenda currently being debated in UPU meetings.


 **U.S. Senator Susan Collins**, Ranking Member of the Senate Homeland Security and Governmental Affairs Committee, issued the following statement regarding the U.S. Court of Appeals for the District of Columbia decision today on the U.S. Postal Service's (USPS) request for "exigent" rate increases. Senator Collins' committee has jurisdiction over the U.S. Postal Service. In January, she filed an amicus brief urging the Court to uphold the


Postal Regulatory Commission's (PRC) unanimous decision to reject the Postal Service requested rate hikes, which on average, would have increased rates by four to six percent. The 2006 postal reform law, which Senator Collins authored, was intended to prevent the Postal Service from using rate increases above the inflation-based cap as relief from chronic, ordinary, or unexceptional circumstances. "Today's decision is a win for American postal customers," said Senator Collins. "I am pleased the court correctly upheld the Postal Regulatory Commission's decision -- and my belief -- that the Postal Service needs to prove that the exigent circumstances caused the effects that it claims necessitated a rate increase above the rate of inflation. "I urge the PRC to require that the nexus between the exigent circumstances and the proposed rate hike be close. This is necessary to preserve the stability and predictability of rates that the 2006 law I authored sought to establish. The PRC should ensure that its guidance not open the door to permitting the Postal Service to raise rates to cover revenue shortfalls from any cause that could be deemed an 'extraordinary or exceptional circumstance' affecting any portion of postal operations. Any such resulting loophole in the hard, inflation-based cap could lead to disastrous consequences for the Postal Service, as the resulting rates would further erode volume as postal customers seek alternatives to mailing."

*May 24, 2011*


 *At the Postal Regulatory Commission:*

- **ACR2010** Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Answer to the Motion of the USPS Requesting Stay of the Remedial Provisions Regarding Standard Flats Set Forth in the FY Annual Compliance Determination  
[http://www.prc.gov/docs/73/73035/VP\\_Answer.pdf](http://www.prc.gov/docs/73/73035/VP_Answer.pdf)
- **RM2011-11** Order No. 736 - Notice of Proposed Rulemaking on Analytical Principles Used in Periodic Reporting (Proposal Three) <http://www.prc.gov/docs/73/73006/Order736.doc>  
<http://www.prc.gov/docs/73/73006/Order736.pdf>
- **C2011-3** Complaint Regarding Postal Service Proposed Rule ?Post Office Organization and Administration: Establishment, Classification and Discontinuance  
[http://www.prc.gov/docs/73/73002/2011.05.23\\_Postmasters\\_Complaint.pdf](http://www.prc.gov/docs/73/73002/2011.05.23_Postmasters_Complaint.pdf)

 **The Independent:** Government plans to privatise the Royal Mail moved a step closer today when legislation cleared its passage through the House of Lords. The Postal Services Bill will return to the Commons on June 9 for its final stage before being granted Royal Assent.


 The [U.S. Court of Appeals for the District of Columbia](#) has issued its decision regarding USPS v. PRC (an appeal of the exigency case decision). The Court found a flaw in the PRC's decision that will require some additional work. The case has been remanded for the Commission to spiff up its ruling.

 [FedSmith](#): "It's Official: Two Year Pay Freeze for Postal Workers"

 *From the Federal Register: Postal Regulatory Commission Meeting Notice.* Wednesday, June 1, 2011, at 11 a.m. PLACE: Commission hearing room, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001. STATUS: Part of this meeting will be open to the public. The rest of the meeting will be closed to the public. The open part of the meeting will be audiocast. The audiocast can be accessed via the Commission's Web site at <http://www.prc.gov>. MATTERS TO BE CONSIDERED: The agenda for the Commission's June 2011 meeting includes the items identified below. **Portions Open to the Public** 1. Report on completion of Docket No. C2009-1, Complaint of GameFly. 2. Report on submission of comments to the Postal Service on proposed post office closing regulations. 3. Report on status of dockets pending before the Commission. 4. 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. 5. Report on status of legislative review pursuant to section 701 of the PAEA and review of postal-related Congressional activity. 6. Report on Commission handling of rate and service inquiries. 7. Report on international activities. 8. Report on Commission progress toward fulfilling the obligation to establish electronic Official Personnel Files (eOPFs). **Portions Closed to the Public** 9. Discussion of pending litigation. 10. Discussion of contractual matters involving sensitive business information—lease issues. 11. Discussion of information




technology security implementation— docket system redesign and continuity of operations site. 12. Discussion of confidential personnel matters—performance management.


 [Canada Post](#): The Canadian Union of Postal Workers (CUPW) has indicated to Canada Post that **there will be no strike activity on May 25, 2011**. The union has also reaffirmed that its goal is to negotiate a settlement to this round of collective bargaining with Canada Post. Canada Post remains committed to reaching a negotiated settlement that will protect postal services, minimize future postal rate increases, and improve employee wages. It remains business as usual across our network. You will be notified immediately if the labour situation at Canada Post changes.


 [International Freight Weekly](#): DHL has launched a scheduled rail freight service linking Mongolia with China. Branded the “Genghis Khan Connection”, the tri-weekly cross-border service is being offered during the high season between April and October. The service links Ulaanbaatar in Mongolia with Tianjin in China and is aimed at the consumer, fashion, machines and spare parts sectors, according to DHL.


 [WalesOnline](#): Government plans to privatise the Royal Mail threaten the six-day-a-week universal postal service, a senior Labour politician warned yesterday.


 [Business Courier](#): The U.S. Postal Service has slated two Northern Kentucky post offices – in Dayton and Newport – for closure.

 [CBC News](#): It appears a strike by Canada Post workers has been averted, at least for now.


 [Fox News](#): After unleashing its lawyers, USPS has struck a settlement with Burger King over an ad campaign launched last year that featured a letter carrier getting distracted from his job by delicious Burger King breakfast food.

 [Federal Times](#): Postal management is still negotiating with the National Rural Letter Carriers’ Association to replace a contract that formally expired last November; agreements with the National Postal Mail Handlers Union and the National Association of Letter Carriers are up for renewal this November. “We expect to see this same type of framework in those contracts,” Donahoe said, “that we’ve been able to negotiate with the APWU.”


 [ABC Online](#): Mail couriers have added their voices to the growing chorus of disgruntled Australia Post contractors, claiming they too are being squeezed dry and treated heavy-handedly by the postal giant. The ABC News Online Investigative Unit last week reported claims by corner-shop post offices that they are being bullied and forced to work at “sweatshop” rates in the booming parcels business that yielded \$170.8m in profits for Australia Post last financial year.

 [Post & Parcel](#): Irish private postal operator CityPOST expects its turnover to increase by 60% this year, after winning new business contracts.

 [GoMo News](#): US Postal Service mobile barcode idea probably won’t attract consumers.

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

 According to unanimous media reports the British government currently examines different approaches for a restructuring of Royal Mail’s balance sheet. It is relatively certain that the government will provide an additional 1bn pounds, about 1.15bn euros. With this step the government intends to make sure that Royal Mail will be able to comply with its obligations despite the expected negative cashflow development.

 Declining letter volumes in Denmark in particular spoiled PostNord’s business in the first quarter.

 The post remains the market-dominating firm in Switzerland’s CEP market.

- 🇩🇪 Besides the almost exclusively private-run post offices of Deutsche Post (CEP News 16/11) and the parcel shops of the main parcel-service providers a new kind of postal agencies has evolved in Germany's northernmost rural state of Schleswig-Holstein.
- 🇨🇦 Despite intensive negotiations it is still unclear if a postal strike will hit Canada for the first time in 15 years.
- 🇲🇽 An unexpected top level management reshuffle has occurred at Correos de Mexico.
- 🇳🇱 Investment advisors called on TNT N.V.'s shareholders to vote against the company's split up.
- 🇳🇴 PostNord announced the acquisition of Eek Transport AS - one of the ten largest transport and logistics companies in Norway.
- 🇦🇺 Qantas and Australia Post finalised the revision of the strategic alignment of their joint venture which was launched in autumn.
- 🇬🇧 British CEP service UK Mail faced decreasing profit while its revenue slightly increased in the business year 2010/2011 which was closed at the end of March.
- 🇦🇹 Feibra, Austrian Post's low cost subsidiary, has been awarded a licence for standard mail deliveries.
- 🇦🇹 Not only could Austrian Post report an improved result for the first quarter this year (CEP-News 19/11), but also managed to reduce its net debt by more than 30% to 88.4m euros according to the interim report. If Austrian Post continues to pursue this course the company could be debt-free soon.
- 🇫🇷 Identic is French La Poste's new authentication service.
- 🇸🇬 Singapore Post plans to further expand its hybrid services in Southeast Asia.
- 🇩🇪 Deutsche Post CEO Frank Appel called for a postage rate increase. 'Postage rates for a standard letter have not been increased in the last 14 years.
- 🇳🇿 New Zealand Post has started to restructure its branch network.



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

🇺🇸 **Roll Call:** So far, Darrell Issa isn't the boogeyman Democrats expected. While the Oversight and Government Reform chairman has been trying to put the Obama administration on the defensive, much of the panel's investigative agenda has been focused on mundane bureaucratic policies and holding hearings on issues other committees already addressed. Issa also has used his position to embarrass the Obama administration at times, pointing to its refusal to release documents as inconsistent with its pledges for transparency. At the same time, even his detractors note that the focus on the country's dire economy and ongoing debt limit negotiations have made it difficult to attract attention to the issues before the Oversight panel. More recently, though, Issa appears to be trying to distance himself from the bomb thrower he had been and is instead presenting himself as a studious, serious investigator of malfeasance.

🇳🇱 **Postal Technology International:** PostNord (the new name for the Posten Norden Group, which was formed following the merger of Posten and Post Danmark) has signed an agreement with Eek Holding for the cash acquisition of Eek Transport. Eek Transport is one of Norway's 10 largest suppliers of transport and logistics solutions. The acquisition complements PostNord's existing operations in Norway and strengthens the group's position and opportunities in Norway's growing logistics market.

🇬🇧 **Hellmail:** Consumer Focus, the UK consumer watchdog, has published its Annual Plan for 2011/12 which details how it will continue to seek a fair deal for consumers in what will be a challenging year for millions of people.

[Gerson Lehman Group](#): The Postal Service is near insolvency. Caused by diminished business, strong, but insufficient costcutting, and statutory financial obligations, by next year it may not be able to keep functioning. This article addresses why, what can be done, and concludes with where USPS will be in the absence of, in particular, congressional relief.

[MMDNewswire](#): It's official. The American Postal Workers Union (APWU) AFL-CIO ratified March 14 tentative labor contract agreement with the U.S. Postal Service that will save the nation's mail system \$3.8 billion over the four and a half year life of the contract that becomes effective yesterday.

[The Hamilton Spectator](#): with the proliferation of email will most Canadians really notice if 45,000 postal workers walk off their jobs this week? Canada's unionized postal workers are in a legal strike position as of 12:01 a.m. Wednesday. But negotiations are continuing and both union and management have promised to provide 72 hours notice of a work stoppage, so it is hard to say when or if the mail will come to a halt.

[PRNewswire](#): What can Brown do for you? For a start, it's making your world greener by using cleaner burning biodiesel. The United Parcel Service began using biodiesel blends at its most vital hub in Louisville, Kentucky this month.

[American Postal Workers Union](#): APWU President Cliff Guffey and Postmaster General Patrick Donahoe have signed the 2010-2015 Collective Bargaining Agreement. Their signatures formalize the new contract, which was ratified by APWU members on May 11 by a vote of 69,451 to 22,351. The agreement will expire May 20, 2015.

## PostalVision 2020

As a nation, we're changing the ways in which we communicate and do business.

**Will there still be a need for a U.S. Postal Service when we get to 2020?**

If so, what needs will it serve? How will it fare among the newer alternatives for communication and commerce?

These and other issues will be addressed at:

**[PostalVision 2020](#) (Check out the program of events)**

Date: **June 15, 2011**. Time: 8:30 a.m. - 5:30 p.m. Place: **Crystal Gateway Marriott, Arlington, VA**

Co-sponsored by the *Ursa Major Associates*, the *Association for Postal Commerce*, the *Postal Journal*, and the *Center for Study of the Postal Market*


Key headliners: **[Vinton Cerf](#)** (*father of the internet*); **[Jeff Jarvis](#)** ("*What Would Google Do?*");


**[Larry Weber](#)** ("*Marketing to the Social Web*") **[Matt Swain](#)** (*Infotrends*); **[Jeremy Grant](#)** (*Senior Executive Advisor for Identity Management*) *National Strategy for Trusted Identities in Cyberspace (NSTIC)*; **[J. Erik Garr](#)** (*Principal, PwC's Diamond Advisory Services*)




**[Ron Stroman](#)** (*Deputy Postmaster General, USPS*); **[David Williams](#)** (*Inspector General, USPS*); **[Ruth Goldway](#)** (*Chairman, Postal Regulatory Commission*)

May 23, 2011

 Who's on first? . . . . Probably one of the most asked questions by business mailers these days. Well, [the Postal Service has provided an interim description of who does what at Postal Service headquarters](#). While this line-up may change over time, it should be good enough to help you with any issues you might encounter.


 **From David Hursh, VP Operations, Imprint:** Forget 5-day delivery, maintain a 6-day schedule -- but deliver each route every other day. Certain routes get mail Mon/Wed/Fri, other routes get their mail Tue/Thu/Sat. It's possible some highly concentrated business routes could get mail every day if they can demonstrate the need. Totally simple. Carrier time is reduced 40% and their vehicle miles are cut almost in half (my estimates). Non-carrier processing time is scheduled to match demand. Retail services are also staffed to meet demand and/or outsourced to non-USPS locations. A rough prediction: postal labor hours are cut by 1/3 from current levels. Would it be easy? No. Can it be done? Facing the alternatives of financial disaster and taxpayer revolt, with serious political will and major management backbone I think it could happen.

 **Skynews:** Thousands of London postal workers are set to go out on strike, claims the Communications Workers Union. The Communication Workers Union said its members in the capital backed industrial action by four to one in a turnout of 54%. The union is protesting at plans to close mail centres, which it said raised the threat of compulsory redundancies. The union said up to 3,500 Royal Mail staff will take strike action unless reassurances are given over job security and allegations of bullying are addressed. See also the [BBC](#).



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

**Maximizing the Postal Service's Mobile Presence.** Mobile technology is one of the world's fastest growing industries, bringing new efficiencies to communications and transactions. While the Postal Service has established a mobile presence, it remains limited, especially when compared to private sector competitors and foreign posts. What types of mobile applications should the Postal Service pursue? Share your thoughts on this week's [blog](#).

 Attention PostalOne!® Users The performance issue that SASP experienced on 5/19/11 has been resolved as of 7:00 AM CST on May 22nd. SASP Processing is now current and processing normally.


**PostalVision 2020**

[Courier, Express, and Postal Observer:](#) PostalVision 2020 has just announced its agenda. The agenda brings together some of the clearest thinkers in both the digital and print communications world with a goal of examining how the Postal Service can thrive in a digitally-centered world. PostalVision 2020 is different from most postal conferences as it focuses on more on the future than on either the past or how the Postal Service survives the current financial crisis. Clearly if your business or livelihood depends on the Postal Service, then learning what the Postal Service might look like 10 years hence is critical part of your strategic planning effort.


**PostalVision 2020** [Infotrends:](#) In response to advances in technology and changes in customer behavior, a common theme across industries today is "re-invent thyself." This is particularly important for high-volume mailers and the global posts that serve them. As we watch major players in the print & mail market evolving to embrace digital distribution strategies, we also see postal organizations around the globe (i.e., Australia, Finland, Italy, and Norway) creating competitive digital solutions. A post where we have seen little digital innovation to-date is the U.S. Postal Service.





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


 [Marketwire](#): Zumbox, the leader in digital postal mail services, today announced at CS Week the availability of its Zumbox Digital Postal Mail Gateway (DPM Gateway), a secure network appliance that will automatically and securely deliver postal mail via a digital channel to consumer households. Once the gateway is installed and configured, mailers simply direct their print stream to the DPM Gateway installed inside their corporate firewall. This allows mailers to achieve paper suppression targets, reduce postage and other mailing related costs and improve customer communications.


 [Postal Technology International](#): Royal Mail has become the world's first postal company to help businesses make their post interactive using digital watermarking technology. Combining state-of-the-art technology with history and heritage enables people to link from their post to a company's online content, such as a website, video or Facebook page, in seconds. The solution, launched by Royal Mail's Door to Door unit in partnership with Digital Space, provides a digital watermark that can be embedded into pictures on leaflets and mailings. The watermark enables marketers to integrate their print and online material without the need for barcodes or QR codes. The digital watermark has no impact on the design and layout of a piece of mail as it is embedded into the existing design and no special inks or changes to the printing processes are required.


 [Zawya](#): Saudi postal sector incurs an annual loss of SR13 billion as a result of unlicensed operators in the market, said Muhammad Banten, president of Saudi Post. "The Saudi postal market is estimated at SR20 billion annually but the actual sales volume does not exceed SR7 billion due to unauthorized couriers," he said.


 [The Gainesville Sun](#): In many ways the Postal Service is in a no-win situation. The Internet has changed the way Americans communicate, but the USPS still must maintain a vast and expensive delivery infrastructure. It estimates, for instance, that it will cost nearly \$6 billion just to replace its aging fleet of delivery trucks. Weighing the alternatives, Saturday delivery may be a luxury that Americans can no longer afford.

 [Azerbaijan Business Center](#): Azerpoc, national postal operator of Azerbaijan, continues connection of domestic post offices to Azerbaijan Interbank Payment System (AZIPS) and payment system SWIFT. Novruz Mammadov, the head of the Postal Department of the Ministry of Communication & Information Technologies, says that 60 out of 500 Azerpoc postal branches rendering banking services have been connected to AZIPS and SWIFT. About 700 out of the 1,200 postal offices have been connected to the automated corporate-information system of Azerpoc within the framework of Financial Services Development Project (FSDP). The Central Bank of Azerbaijan has licensed 500 post offices for banking services.

 [Washington Post](#): Neither snow, nor rain, nor the temptation of a Burger King breakfast will keep letter carriers from the swift completion of their appointed rounds. At least not if lawyers at the U.S. Postal Service have it their way. The mail agency has reached a settlement with Burger King, after the fast food giant used the likeness of a letter carrier and the postal logo in a series of television ads promoting its new breakfast menu. At issue is a TV ad featuring an actor wearing a letter carrier uniform with the Postal Service's Sonic Eagle logo on his lapel. "With pancakes and eggs on my plate, the mail has to wait," the letter carrier sings in an ad. A similar ad, seen above (or here) includes an actor portraying a letter carrier who hands over his delivery bag to a woman before marching off with a crowd in the direction of the nearest Burger King.

 [Montreal Gazette](#): Canadians will get their mail on Wednesday after all. The Canadian Union of Postal Workers said Sunday there will be no "strike activity" on that day, and it will remain "business as usual across our network."


 [Wall Street Journal](#): Dutch logistics company TNT NV is preparing to separate its mail and express operations, but pressure on management at the express business is mounting as doubts grow over its ability to deliver a turnaround and some shareholders argue the company should explore a sale.


 [Courier, Express, and Postal Observer](#): Comparing the proportion of labor costs at the Postal Service with the proportion of labor costs at FedEx and UPS is a nonsensical exercise. It tells one little about what the appropriate proportion would be for an efficient or properly capitalized Postal Service. Focusing on unionized labor costs may be an easy political target for a Republican member of Congress. However, Congressman Dennis Ross would find his time better served if he now focused his time on examining, the Postal Service's financial goals, its capital





structure and capital needs of the Postal Service. By making this shift, Congressman Ross would make a real contribution to postal reform. His efforts would for the first time address one of the key failures of both the Postal Reorganization Act and the Postal Accountability and Enhancement Act, the failure to adequately recognize that "accounting break-even" is not an appropriate financial goal and that an under-capitalized Postal Service is an inefficient Postal Service.

*May 22, 2011*


 [The Mark](#): The Canadian Union of Postal Workers is expected to present a new contract proposal Sunday to avert a possible strike. CUPW had threatened to walk off the job as early as Tuesday but the union has not provided its workers seventy-two hours' strike notice yet, so May 26 would be the earliest for a strike to occur. Canada Post and CUPW had been expected to continue through the weekend on talks that began last fall. Main issues include wages and benefits, staffing levels, and working conditions. CUPW covers some 50,000 employees. Canada Post has reached a deal with the union to bring in volunteer postal workers to deliver urgent mail, such as social assistance cheques, in case a strike should happen. See also the [Toronto Sun](#).


 [Washington Post](#): As part of a compromise to limit federal borrowing, many Democrats and Republicans want federal civil servants to do the same: Pay more into their pensions.


 [The Press-Enterprise](#): UPS, the ubiquitous shipper of packages by air and land, has for more than a decade been in the behind-the-scenes business of storing a company's products, keeping an inventory and shipping those products when instructed to, whether via their own brown trucks or a competitor's as part of its supply-chain solutions division.


 [Courier, Express, and Postal Observer](#): *PMG Donahoe*: "With no remaining borrowing authority, at some point in FY 2012, the Postal Service easily reaches a point where making payroll is no longer possible. Unable to pay our employees or suppliers, we are forced to cut back service. We cannot afford fuel for delivery vehicles and lack resources to operate our facilities. Unable to support our infrastructure, the mail delivery system grinds to a halt. No mail is collected or delivered, resulting in serious repercussions throughout the mailing industry, ultimately leading to million-dollar losses for thousands of companies and lost jobs, wages, and benefits for millions of workers. These results take a significant toll on an already shaky economy."

*May 21, 2011*

 [People's Daily](#): Nima Lamu, 35, has spent 12 years delivering letters and parcels in a rural area of southwest China's Yunnan Province. She works in Deqin County in Diqing Tibetan Autonomous Prefecture, where the altitude ranges from 1,000 to 4,500 meters. Her mail route covers 350 kilometers, requiring seven days for a round-trip on foot.


 [Reuters](#): The U.S. economy is growing in fits and starts, and the real driver for U.S. companies is global trade, United Parcel Service (UPS.N) Chief Financial Officer Kurt Kuehn said. "We continue to see a muted recovery in the U.S.," Kuehn told analysts on Thursday at the Bank of America Merrill Lynch Global Transportation Conference in Boston.

 [Vancouver Sun](#): For more than half a century the vast majority of mail flowing through Western Canada has come through Canada Post's cavernous and monolithic seven-storey processing plant at 349 West Georgia Street. But starting in 2014, the nation's mail carrier will transfer operations to a new 700,000-square foot modern sorting facility near Vancouver International Airport. The plan, announced Thursday, will see the transfer of 1,200 of the 1,700 jobs at the Vancouver plant. Canada Post said it is too early to say what will happen to the rest of the jobs, but an official with the Canadian Union of Postal Workers said his members are bracing for cuts as the Crown corporation proceeds on a plan to massively modernize its operations with new technology.

 [The Northwestern](#): If the U.S. Postal Service is ever going to staunch the river of red ink that is bleeding it to death, Congress must get out of the way and let it make necessary expense reductions. That means allowing the Post





Office to end Saturday mail delivery as a start. But even that move is a mere bandage on a gaping wound to the patient. Post Master General Patrick Donahoe is asking Congress, which holds absolute authority over postal operations, for permission to end Saturday delivery. He projects savings of \$1.7 to \$3.1 billion by ending Saturday delivery. That move would chip away, but not erase, a \$5.5 billion payment that is required to fully fund a \$53 billion obligation for current and future retirees' health benefits that is due on Sept. 30.


 [Hellmail](#): Across Europe, with mail volume in decline, 'consolidation' has been the only option for postal operators and whilst each will post an upbeat view of their financial results over the last 12 months, all are mostly treading water with less resources and this has an impact on post offices too which are desperately trying to reinvent themselves. My view remains the same on this - you cannot have a liberalised postal industry and not reflect this change across post office networks. Liberalisation has merely favoured the big players and on the whole, domestic users are paying far more for far less. Even small business often lacks the buying power to make any real savings on postage and despite there now being at least 55 licensed postal operators in the UK, Royal Mail remains the sole provider for the Universal Service and choice for consumers is very limited.


**Mailers' Technical Advisory Committee (MTAC) Mobile Barcodes Deliver Value to the Mail.** On April 12, 2011, we notified the Postal Regulatory Commission (PRC) that we will run a Mobile Barcode Promotion this summer that provides commercial mailers a three percent discount for mail that includes a mobile barcode inside or on the mailpiece. Now that the PRC has completed its review of the promotion, here is the latest information to help you take advantage of this special offering: The Mobile Barcode Promotion will run from July 1 through August 31. First-Class Mail and Standard Mail (including Nonprofit Standard Mail) letters, flats and cards with a mobile barcode inside or on the mailpiece can qualify for the discount. Participation requires electronic documentation. Commingled, combined and co-mail mailings are allowed and a separate postage statement is required for pieces with mobile barcodes. Using mobile barcodes is a great way to integrate direct mail with mobile technology. Get more information, including updated FAQs, on the [RIBBS](#) website. Please also note that on the MTAC homepage (go to <https://ribbs.usps.gov> and click on "MTAC") you will find the latest presentation "Mobile Barcode Promotion Update."

*May 20, 2011*

 [Wall Street Journal](#): Dutch logistics company TNT NV is preparing to separate its mail and express operations, but pressure on management at the express business is mounting as doubts grow over its ability to deliver a turnaround and some shareholders argue the company should explore a sale. If shareholders May 25 approve the company's demerger proposal, Chief Executive Peter Bakker will depart, leaving behind some unhappy investors who likely will heap more pressure on management to create value.

 [The Canadian Press](#): Federal Labour Minister Lisa Raitt urged Canada Post and its urban-based workers on Friday to reach a collective agreement that would avert a potential disruption of the country's mail service.

 [Courier, Express, and Postal Observer](#): In his testimony before the Senate Senate Committee on Homeland Security and Governmental Affairs, Postmaster General Patrick R. Donahoe testified that the Postal Service's cash shortfall could extend to operational expenses. What he did not say was what operational expenses will not be paid.

 [The Columbus Dispatch](#): Higher fuel prices make it difficult for shippers to profit from the recovery without passing on the costs to customers



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


- The Postal Regulatory Commission has approved the USPS' proposed mobile barcode promotion, with a notable change. The Postal Service must include nonprofit Standard Mail as part of the promotional offering. The market test is set to start on July 1 and run through August 31. Although Standard Mail flats did run the risk of not being apart of the market test because of cost coverage issues, the Commission did approve them as part of the promotion, mostly due to the short duration of the market test.


- The Senate Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security held a hearing on Tuesday, May 17, "Addressing The U.S. Postal Service's Financial Crisis."
- Sen. Tom Carper (D-Del.) introduced the Postal Operations Sustainment and Transformation (POST) Act of 2011. The POST Act addresses the current budget issues plaguing the U.S. Postal Service by proposing a series of provisions including: easing postal employee pension and retiree health costs; addressing postal employee wages and benefits; allowing partnerships with state and local governments; continuing and enhancing efforts to preserve its existing business; and giving the Postal Service leeway to close post offices, market certain nonpostal items, and eliminate Saturday delivery.
- The postmaster general told a Senate subcommittee today that despite significant cost cutting and revenue generation, the Postal Service finds itself in dire financial straits. Statutorily mandated payments due to the government at the end of September will not be paid, he said, unless Congress acts to refund overpayments of pension funding or ease the mandate to prefund retiree health benefits
- Sen. Tom Carper (D-Del.), Chairman of the Senate Subcommittee with jurisdiction over the U.S. Postal Service, highlighted a recent Government Accountability Office (GAO) report that details the declining state of the Postal Service's vehicle fleet and the Postal Service's difficulty managing and modernizing its fleet due to its current financial challenges.
- The Postal Service submitted its 2010 Summer Sale final report this week tot the Postal Regulatory Commission. 334 participants received just under \$91 million in rebates credits paid in six rebate rounds, with over 4.3 billion Standard Mail letters and flats being mailed during the July 1 through September 30, 2010 timeframe.
- According to Steve Lopez, "while mail owners and suppliers are concerned about the US Mail system as a commerce driving vehicle, and they should be, it is important to remember that only Congress regulates interstate commerce and Congress is well aware of the 900 billion dollar industry called direct mail. To put this in perspective, this industry represents 6.3% of the 14.2 trillion dollar U.S. GDP. The direct mail industry also employs over 8 million people in the USA. Nobody in Congress wants anyone in their district to become instantly unemployed, especially given the size of this industry."
- This is to request that you provide this input directly to your elected MTAC Industry Leadership by May 20 - in time for the next MTAC Leadership Committee meeting on May 24.
- Do we need a Post Office? That is the question I will be asking when I keynote and moderate PostalVision 2020, a one-day conference in Washington on June 15 along with Google's Vint Cerf and other players and experts from the industry. The answer to this question is probably yes. But I don't think it should be answered until we reconsider the delivery industry from the ground up, seeing what is no longer needed and what the market can provide in the digital age.
- The Coming Postal Bailout. Postal stakeholders respond to WSJ article. Rep Dennis Ross responds to WSJ article. How the USPS subsidizes the WSJ - - and why it should stop. New CPI figure available. PRC approved USPS' proposed Mail Work Guarantee market test. Open letter to the NALC. Postal Service needs new trucks, can't afford them. Next up on the bailout list - The Mailman? Senator Baucus meets with PMG. UPS boosts mileage 40% with prototype plastic delivery vans. Mailing industry urges Congress to reform Postal Service, remove hidden postal tax. USPS requests "stay" of remedial provisions. Akaka statement on financial crisis at the USPS.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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



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

 [News-Leader](#): Like any longtime business facing financial trouble, the U.S. Postal Service needs to retool and reconsider its current services, including Saturday delivery. Like twice-a-day delivery, which ended in 1950, Saturday delivery doesn't make economic sense anymore. If a Saturday delivery is absolutely required, it could get to your house special delivery for an additional fee, or by another carrier. The postal service is hamstrung by a six-day delivery congressional mandate, enacted in 1983 -- the last time the agency considered dropping Saturday delivery. Congress needs to treat the postal service like the business that it is -- then step aside and let it work.

 [VOCM](#): Despite a strike or lockout, postal workers will continue delivering cheques to pensioners and social assistance recipients in several provinces, but not in Newfoundland and Labrador. There could be a strike or lockout at the post office as early as next Tuesday, but the Canadian Union of Postal Workers will continue delivering cheques in Québec, Ontario, Saskatchewan, Alberta and the Northwest Territories.


 *From the Federal Register:*


#### **Postal Service**


##### **NOTICES**


Transfer of Post Office Box Service in Selected Locations to the Competitive Product List ,  
29282 [2011-12390]


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


 [Financial Times](#): Ministers are preparing a potential injection of up to £1bn into Royal Mail to shore up its deteriorating financial position, which is threatening to delay privatisation of the state-owned postal operator. Royal Mail's problems mean the timetable for winning European Union state aid approval for the UK taxpayer to take over the company's £8.4bn pension deficit, paving the way for privatisation, has already been put back from the end of this year to next May. The postal services bill is due to complete its parliamentary passage in the next few weeks, but ministers have yet to decide how much of Royal Mail to sell or when. Options range from a stock market flotation to the sale of a stake to an industry buyer or private equity group.

 [Canada NewsWire](#): Canada Post today announced plans to build a new state-of-the-art mail processing plant at the Vancouver International Airport (YVR). The Corporation is finalizing a long-term land lease with the Vancouver Airport Authority to build the new facility on land next to the airport. A Request for Proposal (RFP) to select the designer and builder of the new facility was launched earlier this year and will conclude this fall. Following the successful completion of these steps, Canada Post will begin construction of a new 700,000 square foot facility later this year in order to have the new plant operational in 2014.


 [PRWeek](#): Royal Mail is expected to drop Shine and 3 Monkeys from its lucrative PR roster after a long-running pitch process.


 [Azerbaijan Business Center](#): Azerpoc Ltd, the national postal operator of Azerbaijan, is completing testing of the system of urgent money transfers (UMTs) via Secured Transfer of Electronic Financial Information (STEFI).


 [Washington Post](#): About 550,000 full-time career federal government employees and U.S. Postal Service workers could hang it up and move on at any time because they are currently eligible to retire, according to government statistics obtained Thursday. The eligible workers represent about a quarter of the 2.4 million permanent full-time employees collecting government or postal paychecks.


 [Australian Broadcasting Corporation](#): The Australia Post retail network has a number of distinct arms, including a separation between licensed post offices (LPOs) and their corporate counterparts. There are 4,433 Australia Post

outlets around Australia. Of these, 2,977 are licensed post offices - constituting 67 per cent of the network. Corporate post offices make up 19 per cent of the network (831 outlets) and 14 per cent are community postal agencies (637). LPOs may be run solely as a post office or in conjunction with another business such as a newsagency, dry cleaners or convenience store. The products and services available from these outlets are generally the same as offered at corporately owned and operated outlets. A licensee is granted a licence to use Australia Post systems, manuals, trademarks and images in the operation of a LPO at nominated premises.

 **Australian Broadcasting Corporation:** Bullying and intimidation claims against Australia Post have emerged as it faces financial challenges on numerous fronts, including its loss-making traditional letters business and the looming threat of the National Broadband Network. Australia Post lost \$176 million on its monopolised letters business in the last financial year and expects the NBN to be the final nail in the coffin of that sector.

 **Port Huron Times Herald:** The postal service is not unique in facing upheaval brought on by the Internet and other societal changes. Many industries have wrestled with similar challenges. Yet the USPS, which is not funded by tax dollars, must operate with Congress looking over its shoulder. For example, when delivery cutbacks were proposed three decades ago, lawmakers passed a law in 1983 mandating six-day service. It is time for Congress to loosen up that restriction and others to give the USPS the authority it needs to remain viable. The Postal Operations Sustainment and Transformation Act of 2011 has been introduced to provide greater flexibility, such as allowing the agency to use overpayments it has made to the Civil Service Retirement System to help meet its obligation to fund retiree health benefits.

 **Attention PostalOne!® Users** We are experiencing some performance issues within the SASP application due to database instability. As a result we have a backlog of jobs that have not been processed by SASP. The oldest job is about 31 hours, as a result of this backlog there will be a delay in receiving your Mail Quality Data Reports. These reports will not be available until the issue has been resolved and SASP has caught up the backlogged jobs. We will notify you as this situation changes so that you can take appropriate action(s). We apologize for any inconvenience and appreciate your patience.

 **DMM Advisory: Mobile Barcodes Deliver Value to the Mail.** On April 12, 2011, we notified the Postal Regulatory Commission (PRC) that we will run a Mobile Barcode Promotion this summer that provides commercial mailers a three percent discount for mail that includes a mobile barcode inside or on the mailpiece. Now that the PRC has completed its review of the promotion, here is the latest information to help you take advantage of this special offering:

- The Mobile Barcode Promotion will run from July 1 through August 31.
- First-Class Mail and Standard Mail (including Nonprofit Standard Mail) letters, flats and cards with a mobile barcode inside or on the mailpiece can qualify for the discount.
- Participation requires electronic documentation.

Commingled, combined and co-mail mailings are allowed and a separate postage statement is required for pieces with mobile barcodes.

Using mobile barcodes is a great way to integrate direct mail with mobile technology. Get more information, including updated FAQs, on the [RIBBS](#) website.

 **At the Postal Regulatory Commission:**


- **ACR2010** Motion of the Direct Marketing Association in Support of Support of the United States Postal Service Request for A Stay of the Remedial Provisions Regarding Standard Flats Contained in the FY 2010 Annual Compliance Determination  
[http://www.prc.gov/docs/72/72967/2010ACR\\_Stay\\_Request\\_Motion\\_\(3\).pdf](http://www.prc.gov/docs/72/72967/2010ACR_Stay_Request_Motion_(3).pdf)


*May 19, 2011*


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





*Did you miss the PostCom webinar on the mobile barcode experiment? You can still catch up. Just go here: <https://www1.gotomeeting.com/register/686727169> and [\[slides\]](#).*

 **PRNewswire:** With nearly 100,000 places to buy stamps, ship a package or renew a passport, the U.S. Postal Service is expanding customer access to its products and services. It's not about brick-and-mortar Post Offices anymore, as postal products move online and into retail outlets, grocery stores, office supply chains and pharmacies. Responding to changing customer needs and a business plan that calls for expanding access to Postal Service products, stores including Costco and Office Depot are offering shipping and mailing services. Nearly 35 percent of the Postal Service retail revenue comes from expanded access locations such as Costco, Office Depot, grocery stores, drug stores, APCs, ATMs and usps.com, open 24/7.

 **Pattaya People:** The Siam Postal Services have just expanded its services to include Car Rentals, DSL connections, issuing International Driver Licenses, Vehicles Insurance, Vehicle Tax Renewals, and Internet Service to offering of International VISA Service recently for convenience of people.


 **Reuters:** The U.S. economy is growing in fits and starts, and the real driver for U.S. companies is global trade, United Parcel Service Chief Financial Officer Kurt Kuehn said.


 **Auctionbytes:** If the two sides embroiled in a heated labor dispute can't reach an agreement in the next week, online sellers doing business in Canada are going to have to reassess their shipping options.


 **Azerbaijan Business Center:** Novruz Mammadov, head of the Postal Department of the Ministry of Communications & Information Technology of Azerbaijan, says that to date infrastructure of 700 post offices around the country is ready for installation of cash machines and POS-terminals.



Emil Dzuray has been appointed as the new chief of the Postal Service's strategic planning.


 **Daily Telegraph:** The Department for Business, Innovation and Skills is looking at whether it should write off a significant amount of the Royal Mail's debts to the National Loans Fund (NLF), according to people familiar with the matter. The debt is thought to date back to a restructuring almost a decade ago when the NLF lent £1.8bn to the Royal Mail. If the Government decides to give a green light to the plan, sources said it is likely HM Treasury will either inject fresh capital into Royal Mail or pay the NLF direct to wipe out the debt. The Royal Mail is also understood to have £1bn of cash on its balance sheet sitting in an escrow fund. However, it is not known whether the Government could approve Royal Mail using that cash to pay off its debts to the NLF.

 **PressReleasePoint:** tamps.com® (Nasdaq:STMP), the leading provider of USPS® postage online and shipping software to approximately 400,000 customers, was named a Finalist today in the "Customer Service Department of the Year" category in the 2011 American Business Awards.

 **Sioux City Journal:** Forget all the excuses framed in legalese in the U.S. Postal Service's denial of a Freedom of Information Act request by the city of Sioux City. In our view, USPS is opting to be overly difficult about the request because it simply doesn't want the city to see its feasibility study on the proposed closing of Sioux City's Mail Distribution and Processing Center.



The latest set of [FAQs on qualifying \(or not\) for the mobile barcode discount](#) has been posted on this site.


 **CNNMoney:** The challenge of meeting pension payments is starting to put a huge burden on the San Diego and California budgets, leading many of us to regret that more voices weren't raised in objection at the time these





commitments were quietly made years ago. For that reason, discussion this week of pensions for U.S. postal workers got my attention.


 [Wall Street Journal](#):

- [Senator Susan Collins](#) (R-ME): Regarding your editorial, "The Coming Postal Bailout" (May 14): My bill does not bail out the U.S. Postal Service; it fixes a Postal Service overpayment to federal retirement funds that was identified by two independent actuarial studies.
- [PMG Patrick Donahoe](#): To suggest that a federal bailout is in the offing for the Postal Service is not something the Postal Service is seeking nor is it what we want. I'm sure the American taxpayer would approve.
- [Coalition for a 21st Century Postal Service](#): The Postal Service supports a \$1.1 trillion American mailing industry that employs eight million private-sector workers across the paper, printing, advertising, periodical, prescription fulfillment and other industries, and represents over 7% of the nation's GDP. To preserve and strengthen the Postal Service, bold reforms are needed to consolidate operations and lower labor costs. But these reforms must also include restoring fairness to its retiree obligations. Unless these payments are fixed, a true taxpayer bailout will become unavoidable.
- [Cliff Guffey](#) (APWU): While the Journal's editors bemoan the job protections and modest raises postal employees gained in the recently ratified contract with the Postal Service, they neglected to mention that these gains came with compromises that will save the Postal Service billions of dollars. The Postal Service will continue to adapt to the changing business climate and remain a vital public-service agency for many decades to come—provided Congress repeals the devastating prefunding mandate that is driving the agency to insolvency.

 [Buzzmachine.com](#): Do we need a Post Office? That is the question I will be asking when I keynote and moderate PostalVision 2020, a one-day conference in Washington on June 15 along with Google's Vint Cerf and other players and experts from the industry. The answer to this question is probably yes. But I don't think it should be answered until we reconsider the delivery industry from the ground up, seeing what is no longer needed and what the market can provide in the digital age.

 [The Scotsman](#): Ownership of the Post Office could be transferred from the government to a mutual, owned by employees, sub-postmasters, customers and consumer groups, a government report has recommended. The Post Office would be run by a board of directors, answerable to a forum that is representative of the members, as suggested by Co-operatives UK, the trade association for co-operative enterprises. The report recommended that the Post Office should be owned by its members, with the government's relationship centred on contractual or regulatory arrangements. Billy Hayes, general secretary of the Communication Workers Union, said mutualisation was a "distraction" which would not solve the industry's problems. It is understood that around 7,500 of the 11,500 branches make a loss and once Royal Mail is separated in 2015 it will be free to choose its access points. Critics believe this will mean it can either force the Post Office network to become more efficient by closing branches or turn to major supermarket chains as alternatives.

 [Belarus News](#): Belarus' state postal services monopolist Belposhta is expected to settle its debts that it owes to Pochta Rossii in a month or two, RIA Novosti quoted Denis Chuiko, first deputy director of Russia's national postal operator, as saying on Wednesday. Belposhta owed the Russian operator a total of 195 million Russian rubles (\$6.9 million) in debts from international money transfers as of April 21. Mr. Chuiko said that Belposhta was gradually settling its debts, including through transfers from Belarus.

 [Montreal Gazette](#): Canadians may find their mailboxes empty starting next Wednesday if postal workers proceed with a threat to walk off the job.


 [From the Federal Register](#):


**Postal Regulatory Commission**



## NOTICES

Change in Postal Prices ,  
29013–29014 [2011–12326]      [\[TEXT\]](#) [\[PDF\]](#)


 **Post & Parcel:** While its rivals FedEx and UPS are working to encourage more US online retailers to consider marketing their products abroad – thereby expanding international shipping volumes – the US Postal Service has been taking a different approach in its response to the potential for growth in the e-commerce package business.

 **Canada NewsWire:** On behalf of the Canadian Federation of Independent Business (CFIB) and our 108,000 members - small- and medium-sized independent business owners across the country, we are writing to express our concern with the potential strike of the Canadian Union of Postal Workers (CUPW) on May 25th and to encourage Canada Post to make the necessary changes now to contain future costs that will allow Canada Post to be viable in the future. Our members are growing more and more concerned with the growing cost of public sector pensions in general and the sustainability of Canada Post's current plan. And, many of our members are alarmed by the rising costs at Canada Post especially in light of the new proposed rate increase of up to 4.6 per cent scheduled for January, 2012. This will only further impact SMEs and push even more businesses to look for alternatives to the postal system altogether. At the same time, for other small businesses, a lengthy mail interruption may negatively impact their firms.

 *At the Postal Regulatory Commission:*

- **RM2011-11** Petition of the United States Postal Service Requesting Initiation of A Proceeding to Consider A Proposed Change in Analytical Principles (Proposal Three)  
<http://www.prc.gov/docs/72/72940/Prop.3.PIHOP.Attach.1.xls>  
<http://www.prc.gov/docs/72/72940/Pet.Prop.3.pdf>  
<http://www.prc.gov/docs/72/72940/Prop.3.PIHOP.Attach.2.xls>  
<http://www.prc.gov/docs/72/72940/Prop.3.PIHOP.Attach.3.Public.xls>

*May 18, 2011*


<b>A New Approach to USPS Pricing and Costing</b>
<b>Join us for a Webinar on May 23</b>
<b>REGISTER NOW</b>
<b>Space is limited.</b> Reserve your Webinar seat now at: <a href="https://www1.gotomeeting.com/register/654081881">https://www1.gotomeeting.com/register/654081881</a>
Join The Association for Postal Commerce for a webinar on Monday, May 23rd at 1:00 PM Eastern to discuss how the USPS and postal industry could revamp the current costing and pricing used by the USPS and PRC. Jessica Dauer Lowrance, Executive Vice President of PostCom will discuss methods, further applications and industry impacts so that you can become more aware of ideas that are more customer-focused and market-driven. <b>Title:</b> <i>A New Approach to USPS Pricing and Costing</i> <b>Date:</b> Monday, May 23, 2011 <b>Time:</b> 1:00 PM - 2:00 PM EDT After registering you will receive a confirmation email containing information about joining the Webinar.

[!\[\]\(50ba758255c5d7cec2761495a31c7c80\_img.jpg\) \*\*Senator Danial Akaka:\*\*](#) I commend Senator Carper and Senator Collins, who have both introduced legislation that aims to help the Postal Service meet its obligations by addressing overpayments to the retirement funds. Additionally, Senator Carper's Postal Operations Sustainment and Transformation (POST) Act offers several provisions which would allow the Postal Service to innovate and expand its business. However, both of these bills still contain a provision introduced in the last Congress which would bias the collective bargaining process to favor the Postal Service during arbitration. The fact that the Postal Service and the American Postal Workers Union ratified a new four-year contract last week demonstrates that the Postal Service and employees can work together to reach an agreement that meets everyone's needs. Congress does not need to inject itself in the collective bargaining process. during arbitration.

[!\[\]\(529949c2c3dadbaa4e538e8c643454bc\_img.jpg\) \*\*Associated Press:\*\*](#) It looks like rescuing the financially struggling Postal Service is going to require thinking outside the mailbox.

[!\[\]\(3dfb8d66e81160ad61421a3452093d1b\_img.jpg\) \*\*BBC:\*\*](#) The Post Office has moved closer to mutualisation after a government-commissioned report recommended ways in which ownership could be transferred to employees and customers. The government welcomed the Co-operatives UK's report, saying a mutual Post Office was a "realistic proposition" by 2015.

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

The [agenda for the May 25 - 26, 2011 MTAC meeting](#) has been posted on this site.

[!\[\]\(339a16584d5da0f0a3ca4e9ec17bf6a1\_img.jpg\) \*\*Post & Parcel:\*\*](#) A postal strike could be little more than a week away in Canada, with the Canadian Union of Postal Workers yet to agree a new collective bargaining deal with Canada Post Corporation. The union issued statements today seeking to get the Canadian public on its side by assuring them that in the event of a strike, pensioners and people on low incomes would still receive their cheques.

[!\[\]\(a870788d6ed9b8fd294b7654a8c8526b\_img.jpg\) \*\*Canadian Labour Reporter:\*\*](#) Mail across the country could come to a halt next Wednesday if Canada Post and the Canadian Union of Postal Workers (CUPW) are unable to reach an agreement before then. The 54,000 postal workers are eligible to strike at midnight on May 24, but must provide 72 hours' notice of their intention to do so.

[!\[\]\(de95854c7ee024cfadc48187bbb781b2\_img.jpg\) \*\*Masthead:\*\*](#) The Canadian Union of Postal Workers threatens to strike May 25 unless a settlement can be found in the current round of mediation between the two parties. (See Masthead stories here and here.) At the risk of stating the obvious, a postal strike would be a disaster for all parties... but especially the union.

[!\[\]\(3211b5d1d968fc1665909b34f9f16010\_img.jpg\) \*\*Transport Intelligence:\*\*](#) Singapore Post Limited (SingPost) has announced that it is acquiring the remaining 30% stake in DataPost Pte. Ltd. from Océ N.V. for S\$6m, making DataPost its wholly-owned subsidiary. DataPost provides end-to-end mailing services including confidential data printing, letter shopping and enveloping, to major customers such as banks, insurance companies and government agencies. Over the years, DataPost has expanded within the region and set up data printing facilities either directly or through joint ventures in Malaysia, Hong Kong, Thailand and the Philippines.

[!\[\]\(6059a5aa8b4ca7bb793408023d6c6e42\_img.jpg\) \*\*CEP News\*\*](#) (Courier-Express-Postal), published by the [MRU Consultancy](#), has reported that:

[!\[\]\(c50c8b7b2cc2cf9ff925edec0ee94c0d\_img.jpg\)](#) The planned privatisation of Royal Mail seems to be delayed. While the British parliament is still discussing the new postal law (CEP-News 16/11), the Department for Business, Innovation and Skills is considering to help Royal Mail with further state aids.


[!\[\]\(6a9b39b98eb945faa14c645ec99e4eaa\_img.jpg\)](#) Posten Norge achieved a slight increase in turnover in the first quarter 2011 despite a decline in mail volume.


[!\[\]\(9c2e8d1b5bd77cb5c9f83b7a9cff79fd\_img.jpg\)](#) Austrian Post further improved its result in the first quarter. The company generated an operating profit of 48.8m euros (+7.6%) on a turnover of 571.3m euros (+1.6%). With this result Austrian Post exceeded analysts' expectations in all areas.


[!\[\]\(e3275251d0893157c3584e20c81dc3ba\_img.jpg\)](#) Last week the EU Commission announced to extend the state aid proceedings against Germany which started in 2007.

[!\[\]\(f60b7a900783ac3fd531bfd9c111be6d\_img.jpg\)](#) Last week France's competition watchdog authority prohibited a planned co-operation between

French La Poste and mail order company Mondial Relay. On Thursday the Autorité de la concurrence disclosed, that a co-operation of La Poste with the subsidiary of Otto, the world's largest mail order company, would endanger competition on the parcel market.


 The higher regional court in Dresden ruled that Deutsche Post is not obliged to deliver right-wing extremist's bulk mail.

 The three co-operating German associations BdKEP, pagd Postagenturnehmervverband Deutschland and ISSiT (CEP-News 19/11) will be represented in Berlin from the the middle of this year on.

 Malta Post faced a decreased profit in the first half fiscal year 2010/2011.



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:** Neopost and Parcelforce Worldwide started working together in 2003, developing online services for their 25,000 customers. Since then Neopost have processed over 200 million Parcelforce Worldwide shipments and managed a similar number of Proof of Deliveries (PODs), making them available to Parcelforce Worldwide and their customers over the web.


 *From the Federal Register:*

**Postal Regulatory Commission  
PROPOSED RULES**


Periodic Reporting ,  
28696 [2011–12202]

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

*May 17, 2011*

 **DC Velocity:** By early June, the U.S. Postal Service (USPS) will have moved one of its core parcel products from regulatory protected status and opened it to the unpredictable winds of the free market. Only time will tell if the decision ends up being the right one for the financially struggling organization.

 The "[I Want My Mail](#)" video shown at the National Postal Forum is now available on the YouTube site. 

 **Roll Call:** Sen. Tom Coburn pulled out of the bipartisan “gang of six” Senators working on a \$4 trillion package of deficit reductions Tuesday after reaching an impasse over cuts to entitlement programs. Coburn said he didn’t think there was enough reform of entitlements.



# Overview

Join us for a Webinar on May 18

**REGISTER NOW**

**Space is limited.** Reserve your Webinar seat now at:


<https://www1.gotomeeting.com/register/686727169>


"Please join PostCom for a webinar on Wednesday, May 18th to discuss the USPS' proposed Mobile Barcode Promotion. Angelo Anagnostopoulos, GrayHair Software, and Wallace Vingelis, Window Book, will walk you through the proposed promotion qualifications and give you some insight into how to creatively use Quick Response codes in your mailings to increase the relevance and value of direct mail as it integrates with the Internet."

**Title:** USPS' Mobile Barcode Promotion Overview

**Date:** Wednesday, May 18, 2011

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

 **Washington Post:** The U.S. Postal Service is once again threatening to not pay roughly \$5.4 billion in retiree health benefits this fall because it cannot afford to do so. But Postmaster General Patrick R. Donahoe said he would reverse his decision if Congress acts before Sept. 30 to change a 2006 law requiring the post office to pay for future retiree benefits each year.

 **Coalition for a 21st Century Postal Service:** Congress needs to make broad reforms to the U.S. Postal Service or risk hurting the vital U.S. mailing industry, according to testimony given to a U.S. Senate Subcommittee today. The future of the Postal Service is vitally important to the U.S. mailing industry, which supports 8 million private sector jobs. In 2009, the mailing industry generated \$1.1 trillion in economic activity, representing over 7 percent of our national GDP. Postage paid by the industry and the mailing public supports USPS; it receives virtually no taxpayer funding. But the mailing industry has been hit hard by dramatic over-funding of the postal retiree health and pension system. For many years, the law has unfairly required USPS to pay far more than necessary into the federal retirement system; payments derived from the postage received from customers. The Postal Service Inspector General and the independent Postal Regulatory Commission have both found that postal customers have overfunded pension obligations for postal retirees by between \$50 and \$75 billion, amounting to a vast hidden tax on the mailing industry and all mail customers. Transferring these overpayments back into the postal system would be an important first step in shoring up the U.S. Postal Service.

## Mailers' Technical Advisory Committee (MTAC)

The Mailers' Technical Advisory Committee (MTAC) elected Industry Leadership provides the Postal Service Leadership each calendar quarter with input referred to as the "Pulse of the Industry." Postal Service Senior Management views this as valuable information to help the Postal Service to be aware of latest trends, developments, pain points, legislative concerns, etc. from the Industry's perspective - encompassing both the classes of mail as well as the areas referred to as MTAC Focus Areas.

This is to request that you provide this input directly to your elected MTAC Industry Leadership by May 20 - in time for the next MTAC Leadership Committee meeting on May 24 - using the following contact information:


### Mail Class:


- First-Class Mail/Expedited Services - Sharon Harrison ([sh3157@att.com](mailto:sh3157@att.com))
- Periodicals - Erv Drewek ([erv.drewek@bpc.com](mailto:erv.drewek@bpc.com))
- Standard Mail - Steve Colella ([scolella@calmark-inc.com](mailto:scolella@calmark-inc.com))
- Package Services - Wendy Smith ([wsmith@pch.com](mailto:wsmith@pch.com))
- At Large - Ernie Rojas ([ernie.rojas@pb.com](mailto:ernie.rojas@pb.com))


### Focus Area:


- Optimization of Preparation and Entry - Wanda Senne ([wsenne@worldmarkinc.com](mailto:wsenne@worldmarkinc.com)) and Erv Drewek ([erv.drewek@bpc.com](mailto:erv.drewek@bpc.com))
- Service Measurement & Improvement - Wendy Smith ([wsmith@pch.com](mailto:wsmith@pch.com)) and Charley Howard ([charley\\_howard@harte-hanks.com](mailto:charley_howard@harte-hanks.com))
- Address Accuracy - Chris Lien ([chrisl@bccsoftware.com](mailto:chrisl@bccsoftware.com)) and Sharon Harrison ([sh3157@att.com](mailto:sh3157@att.com))
- Intelligent Mail®/Seamless Entry - Ernie Rojas ([ernie.rojas@pb.com](mailto:ernie.rojas@pb.com)) and Debbie Cooper ([debbie.cooper@bpc.com](mailto:debbie.cooper@bpc.com))
- Growth - Steve Colella ([scolella@calmark-inc.com](mailto:scolella@calmark-inc.com)) and Ty Taylor ([dtaylor5@jcpenny.com](mailto:dtaylor5@jcpenny.com))


Any questions or comments can be directed to MTAC Industry Chair Anita Pursley ([anita.s.pursley@rrd.com](mailto:anita.s.pursley@rrd.com)), MTAC Industry Vice-Chair Phil Thompson ([phil.thompson@gg.com](mailto:phil.thompson@gg.com)) and/or MTAC Immediate Past Chair Don Harle ([dharle@dmsolutions.com](mailto:dharle@dmsolutions.com)). The next MTAC General Session will be May 25 - 26


 [CollisionRepairMag](#): The Insurance Bureau of Canada (IBC) has issued a legal bulletin informing drivers and insurers about handling notification of policy terminations, as well as payment of accident benefits claims, during a postal strike. Canada Post and the Canadian Union of Postal Workers have yet to negotiate a new collective agreement, meaning Canadian postal workers will have a right to strike as of May 24.

 [Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security](#), Tuesday, May 17, 2011 10:30 AM Dirksen Senate Office Building, room SD-342. "**Addressing The U.S. Postal Service's Financial Crisis.**" Witnesses: Panel 1, **The Honorable Patrick Donahoe**, Postmaster General and Chief Executive Officer, U.S. Postal Service; **Phillip R. Herr**, Director, Physical Infrastructure Issues, Government Accountability Office. Panel 2, **Margaret Cigno**, Director of Accountability and Compliance, U.S. Postal Regulatory Commission; **The Honorable David Williams**, Inspector General, U.S. Postal Service; **Cliff Guffey**, President, American Postal Workers Union; **Mark Strong**, President, National League of Postmasters; **Jerry Cerasale**, Senior Vice President, Government Affairs Direct Marketing Association. [EdNote: See the summary of the hearing, which has been [posted on this site.](#)]


 [Open Salon](#): From "Open Letter to the NALC." We can't rely upon Hallmark to sustain the Letter Carriers, Mail Handlers or Clerks let alone the twice over-bloated management tier of the Post Office. Take a Republican lesson, also a proverb and parable; 'A bird in hand is worth two in the bush'. In this case, G.W. Bush was you friend and now you are about to punctuate that sentiment, but will undoubtedly carry on the secret alliance with the people who have truly screwed you to the wall. The Union Brass and the Democrat Party.


 [Washington Post](#): The U.S. Postal Service needs new trucks to deliver the mail, but replacing its entire fleet would cost almost \$6 billion, a price too high for an agency losing billions annually, according to a new government report.

 [GreenBiz.com](#): United Parcel Service is rolling out a prototype delivery van that gets 40 percent better mileage than its familiar big, brown boxy predecessor. By replacing aluminum sheet body panels with rugged, lightweight ABS plastic, UPS engineers have lowered fuel consumption by about 40 percent. Using less sheet metal cut the truck's weight so much that UPS could then opt for a smaller, lighter engine, saving still more weight. All together, the changes have carved off 1,000 pounds, or about 10 percent, from the original 5-ton model.

 Montana's senior [U.S. Senator Max Baucus](#) met with the U.S. Postmaster General this week urging him to listen to Montanans before finalizing any decisions to close facilities or reroute service in the state. During the high profile meeting, Baucus showed Postmaster Patrick Donahoe a map of Montana and outlined for him the unique challenges facing rural Montanans and their Postal needs. He emphasized the importance of maintaining post office operations in Montana's small towns, and the inconvenience to seniors and rural Montanans about having to travel long distances to get their mail if their local post office is closed. He also urged Donahoe to take into account Montanans' input on Postal Service proposals to close processing centers in Butte, Helena, Havre, and Miles City which would result in the loss of up to 43 postal service jobs.



 **MMDNewswire:** The U.S. Department of Labor's Occupational Safety and Health Administration has cited the U.S. Postal Service at 3200 Summit Blvd. in West Palm Beach for eight alleged safety violations following a November 2010 inspection. Proposed penalties total \$164,200.

 **MyFoxAtlanta:** Postal inspectors say thousands of dollars in checks have somehow been stolen from the U.S. mail. The checks were intended for several Georgia businesses, but they ended up in the wrong hands.

 *At the Postal Regulatory Commission:*

- **MT2011-4** Order No. 730 - Order Approving Mail Works Guarantee Market Test  
<http://www.prc.gov/docs/72/72835/Order730.doc>  
<http://www.prc.gov/docs/72/72835/Order730.pdf>
- **R2010-3 2010** Standard Mail Volume Incentive Program Final Data Collection Report  
[http://www.prc.gov/docs/72/72824/PRC\\_Report\\_4-20-2011v2.xls](http://www.prc.gov/docs/72/72824/PRC_Report_4-20-2011v2.xls)  
[http://www.prc.gov/docs/72/72824/PRC\\_Summary\\_4-20-2011v2.xls](http://www.prc.gov/docs/72/72824/PRC_Summary_4-20-2011v2.xls)  
[http://www.prc.gov/docs/72/72824/PRCIV\\_4-20-2011v2%20Summary.xls](http://www.prc.gov/docs/72/72824/PRCIV_4-20-2011v2%20Summary.xls)  
[http://www.prc.gov/docs/72/72824/PRCIV\\_4-20-2011v2Report.xls](http://www.prc.gov/docs/72/72824/PRCIV_4-20-2011v2Report.xls)  
<http://www.prc.gov/docs/72/72824/USPS.May16.Final.DCR.pdf>
- **R2011-5** United States Postal Service Notice of Errata to Notice of Market-Dominant Price Adjustment  
<http://www.prc.gov/docs/72/72823/Not.Err.AppA.pdf>

*May 16, 2011*




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


- **Neighborhood Mail and the Future of the Postal Service** In a recently released [white paper](#), the Office of Inspector General, Risk Analysis Research Center lays out the advantages of the simplified address mail concept, which allows businesses to use a simple "Postal Customer" address instead of a full street address. This product, targeted to new and smaller local advertisers, could potentially bring in over \$1 billion in new revenue if fully implemented. What do you think of using this type of delivery method? Share your thoughts on this week's [blog](#).


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


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


- **[Innovation Benchmarking – 11WG004CI000](#)**. Our objective is to identify and learn about innovation best practices/processes that can be adapted for use by the U.S. Postal Service. We plan to review innovation management in major U.S. corporations to determine how they integrate innovation strategies into their business strategy; create and capture new ideas from internal and external sources; determine which innovations to pursue; evaluate the progress of each innovation initiative; and manage the relationship between the innovation activity and ongoing work.
- **[Evaluation of Key SOX Controls –11BD011FF000](#)**. The audit is being conducted to determine whether key sox controls should be designated as such and to determine at what level (unit, accounting center, or headquarters) those controls should be tested.


 **Postalnews Blog:** Postal "watchdog" Dennis Ross isn't about to let the facts get in the way of his agenda. Tweeting about the Wall Street Journal's already thoroughly debunked editorial attack on the postal service, Ross tells critics to "spare" him arguments about the pre-funding requirement that threatens to bankrupt the agency.

 **The Guernsey Press & Star:** Postwatch believes it is unsustainable for Guernsey Post to continue to deliver six days a week, its chairman has said. The postal users group responded after it emerged that 57% of the 38 responses to a Commerce and Employment Department consultation on the current universal service obligation were in favour of reducing deliveries. Read more: <http://www.thisisguernsey.com/2011/05/16/five-day-post-on-the-cards-as-postwatch-backs-cut/#ixzz1MWqa7SGo>


 **WebWire:** Canada Post would like to remind Canadians that the domestic basic letter rate will increase by 2 cents, from 59 cents to 61 cents, for standard letters weighing up to 30 grams, effective January 16, 2012.

 **Postalnews Blog:** PMG Pat Donahoe has announced the appointment of Tim O'Reilly as vice president, Controller.

 **MSN:** Britain's Royal Mail has admitted it sells off around 75,000 undelivered postage items every year and has earned 3.2 million pounds over the past five years - a move that has angered many consumers. The department earned 824,000 pounds last year by auctioning items that got 'lost' in the post, the Daily Express reported.

 **Focus Information Agency:** Romania's government has pledged to cut more than 7000 jobs in state railway companies, energy suppliers and the national postal company, while lowering their running costs through renegotiated contracts

 **Post & Parcel:** Jersey Post has announced that Kevin Keen will replace Ian Carr as chief executive of the company.

 **Washington Post:** A former top Lockheed Martin executive will take the reins of Siemens's newly created federal business unit on May 16 as part of a push to significantly expand the company's government presence. Judy Marks, a 27-year Lockheed employee, is leaving her position as vice president of strategy and business development in the company's electronic systems unit to lead the Siemens business. She will be tasked with doubling the federal sales, which now represent about 5 to 10 percent of the total sales of Siemens Corp., the U.S. arm of the business. *[EdNote: Ms. Marks is a former member of the Board of Directors of the Association for Postal Commerce.]*



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

Doulaveris at (703) 248-2286.


- [Beckley, WV Post Office Facility Consolidation \(EN-AR-11-005\)](#). A valid business case existed to consolidate mail processing operations from the Beckley, WV Post Office™ into the Charleston, WV Processing and Distribution Center to achieve cost savings of approximately \$1.1 million annually. We identified projected annual maintenance cost savings were overstated by \$228,181 during fieldwork. Management corrected the proposed maintenance savings to reflect the correct savings of \$189,555. Because our findings support the consolidation and management took corrective action during the review to address the issue identified, we are not making any recommendations.




*At the Postal Regulatory Commission:*


- 12-Month Average Change in CPI-U Prepared by Postal Regulatory Commission, 1.668%.


**May 15, 2011**


 **Macon Telegraph:** It is a little ironic that this week we ran a story about how the U.S. Postal Service lost \$2 billion in the first four months of 2011. Ironic because just the week before I had the unenviable task of announcing to Telegraph subscribers in our state area (a 24-county area that does not include Bibb, Houston, Peach, Jones,

Monroe, Crawford or Twiggs counties) that come June we would be stopping home delivery of the paper Mondays through Saturdays.


 **Malta Independent:** MaltaPost this week announced that its interim profits after tax had fallen by 6.1 per cent to €1.1 million in the first half of the company's fiscal year. Despite a 1.4 per cent increase in revenue to €10.7 million, the postal carrier witnessed a reduction in profits before tax of 9.3 per cent to €1.7 million.


 **Chico Enterprise-Record:** With a \$7 billion deficit, consolidating mail distribution in Chico is the kind of move the Postal Service should be making. To us, consolidating Chico mail deliveries to the Vallombrosa Avenue post office seems like a darn good idea.

 **Dead Tree Edition:** In an error-filled editorial, The Wall Street Journal chided the U.S. Postal Service Saturday for not acting more like a business and for being too slow to cut costs. The Journal editorial was written by someone who hadn't bothered to do much research -- or who purposely misrepresented the Postal Service's situation.

 **The Mirror:** Labour is launching a last-ditch effort this week to save up to 9,000 post offices from closure. Nine out of 10 post masters say their businesses will fail if Royal Mail is privatised – and they lose £1.6 billion of guaranteed income. Labour lords will try to put a clause in the Postal Services Bill on Tuesday, ensuring post offices are protected from the move.

*May 14, 2011*


 **Washington Post:** The U.S. Postal Service still was doing business Friday with a Detroit contractor that repairs mail vehicles, a day after the garage was accused of paying thousands of dollars in bribes and providing a prostitute to government employees.


 **Wall Street Journal:** One thing we'll say about federal bailouts—if you pay attention, you can usually see them coming a mile away. It was true of Fannie Mae and General Motors, and it's increasingly clear that the next candidate will be the U.S. Postal Service. The odds of a multibillion-dollar rescue package went way up this week when Postal Service management reported a \$2.2 billion loss for the first quarter, more than 25% higher than last year despite the economic recovery. It now appears that the \$15 billion line of credit the feds have offered USPS will be used up by the end of this year, with low odds on ever being paid back.

*May 13, 2011*


 *At the Postal Regulatory Commission:*

- **CP2009-61** Order No. 729 - Order Concerning Change in Prices for Parcel Select & Parcel Return Service Contract 2 Negotiated Service Agreement  
[http://www.prc.gov/docs/72/72799/Order\\_No\\_729.doc](http://www.prc.gov/docs/72/72799/Order_No_729.doc)  
[http://www.prc.gov/docs/72/72799/Order\\_No\\_729.pdf](http://www.prc.gov/docs/72/72799/Order_No_729.pdf)
- **CP2011-45** Order No. 728 - Order Concerning Global Expedited Package Services-Non-Published Rates 2 Model Contract [http://www.prc.gov/docs/72/72797/Order\\_No\\_728.doc](http://www.prc.gov/docs/72/72797/Order_No_728.doc)  
[http://www.prc.gov/docs/72/72797/Order\\_No\\_728.pdf](http://www.prc.gov/docs/72/72797/Order_No_728.pdf)

 **DMM Advisory: IMb™ Services Update. PostalOne®! Full Service and Mail Quality reports** will be unavailable to mailers on Sunday, May 15, 2011, from 4 a.m. CT through 10 a.m. CT, due to system maintenance being performed on the Full Service/SASP database environment.


 The Postal Service submitted to the PRC a redline version of the proposed changes to PS-Form 3602-R1 to support the Mobile Barcode Promotion. The Postal Service does not anticipate making any changes to the subparts. A final version of PS-Form 3602-R1 is not available at this time. <http://www.prc.gov/Docs/72/72760/June>

[3602-R.pdf](#) [EdNote: From one of our readers: "The "3" under the "2" on the left side of the page should actually be a "5". This was discussed on the MTAC User Group 1 call yesterday. There is also a red-line version of the 3600 along with some supporting notes for both forms."]

 [American Postal Workers Union](#): Proposed changes to the Federal Employees Compensation Act (FECA) "will negatively affect public servants and their families," APWU Human Relations Director Sue Carney said in testimony [PDF] before the House Subcommittee on Workforce Protections. The Department of Labor's proposed Federal Injured Employees Re-employment Act (FIERA), if adopted as written, would strip injured workers of benefits.





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

 [Presseportal.de](#): The first quarter of 2011 proceeded very satisfactorily for Austrian Post.

## PostalVision

As a nation, we're changing the ways in which we communicate and do business.  
**Will there still be a need for a U.S. Postal Service when we get to 2020?**  
If so, what needs will it serve? How will it fare among the newer alternatives for communication and commerce?  
These and other issues will be addressed at:  
**[PostalVision 2020](#)**  
Date: **June 15, 2011**. Time: 8:30 a.m. - 5:30 p.m. Place: **Crystal Gateway Marriott, Arlington, VA**  
Co-sponsored by the *Ursa Major Associates*, the *Association for Postal Commerce*, the *Postal Journal*, and the *Center for Study of the Postal Market*  
Key headliners: **[Vinton Cerf](#)** (father of the internet); **[Jeff Jarvis](#)** ("*What Would Google Do?*"); **[Larry Weber](#)** ("*Marketing to the Social Web*") **[Matt Swain](#)** (*Infotrends*); **[David Williams](#)** (USPS OIG); **[Ruth Goldway](#)** (Chairman, Postal Regulatory Commission)

 [Financial](#): As the nation celebrates National Small Business Week May 16-20, The UPS Store ® will be hosting more than 50 free franchise-opportunities seminars across the country for individuals interested in learning about the small business community and the largest franchise network of retail shipping, postal, printing and business services centers.

 [Mediaweek](#): The Royal Mail has been slammed by the UK's biggest magazine publisher IPC Media for its decision to up its postal rates for bulk mail by up to three times the rate of inflation.

 [Ghana Broadcasting Corporation](#): Deputy Minister of Communication Ernest Attuquaye Armah, has admonished Ghana Post to reposition itself for the challenge in the new global postal industry by initiating postal models, technological innovativeness and transformation.



*From the Federal Register:*


## Postal Regulatory Commission


### NOTICES


Post Office Closings ,

28103–28104 [2011–11781] [\[TEXT\]](#) [\[PDF\]](#)

28104–28105 [2011–11782] [\[TEXT\]](#) [\[PDF\]](#)

 **Newsday:** In an attempt to bring the local postal sector up to international standards, by year-end Trinidad and Tobago will launch a postal code addressing system, similar to those used internationally.

 **Radio New Zealand:** New Zealand Post is to close or downsize 14 KiwiBank and PostShop stores, putting 90 jobs at risk. See also the [New Zealand Herald](#).

 **U.S. Attorney's Office, Eastern District of Michigan:** Five indictments were issued yesterday by a federal grand jury in Detroit, separately charging five U.S. Postal Service supervisors with conspiring with a private contractor to take bribes in exchange for directing over \$13 million in maintenance work on Postal Service vehicles to a private contractor in Ohio and Michigan, United States Attorney Barbara L. McQuade announced today. McQuade was joined in the announcement by Special Agent in Charge Torri Piper of the United States Postal Service Office of Inspector General (“OIG”) and Elizabeth A. Farcht, the Special Agent in Charge of the Postal Service OIG's Eastern Area.



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

- The Postal Service has posted on its RIBBS site the PostalOne!/FAST Structured Release 2012 schedule and the Facilities Profile Release 2012 Schedule for Address Management/Operation File Updates.
- The Postal Service released its unaudited second quarter financials for Fiscal Year (FY) 2011 which showed \$2.2 billion net loss, compared to a \$1.6 billion net loss for the first quarter FY10. For the first six months ending March 31, the Postal Service lost \$2.6 billion. According to the Postal Service, its “. . . current financial projections indicate that it will have a substantial cash shortfall on September 30, 2011, and will not be able to make the required \$5.5 billion pre-funding payment for retiree health benefits that is due on that date.
- The USPS this week filed with the Commission its Q2 FY 2011 service performance reports, which cover the period from January 1, 2011, through March 31, 2011. Although the USPS’ Quarter 2 reports included enhancements for First-Class Mail, Periodicals Mail and Package Services Mail reporting in that the USPS broke out the results for different categories within each class, the USPS again failed to report service performance results for Standard Mail.
- The Postal Service published its unaudited March results with the Postal Regulatory Commission. USPS lost \$670 million in March 2011. The year-to-date loss for FY2011 is \$2.6 billion. The Postal Service’s controllable operating loss for the year would be \$529 million if it did not have over \$1.9 billion in retiree health fund prepayment or workers compensation.
- There have been rumors within the industry that it should expect or budget for a 23 percent increase for Standard Mail flats during the next annual USPS price change early in 2012. This type of rumor can have disastrous consequences for mail volume as businesses begin media choices for 2012 across the nation.
- The House Oversight Committee held a hearing this week to discuss mail volume decline and the future of the mailing industry. The panel of speakers consisted of various industry stakeholders from the entire mail supply chain.
- The USPS Office of Inspector General has released its report, Management Advisory - Retirement for U.S. Postal Service Employees on Workers’ Compensation. The objective was to determine the monetary impact to the Postal Service if the Federal Employees Compensation Act (FECA) was reformed to reduce compensation benefits for disabled employees on the periodic roll when they reach retirement age. This review was self-initiated as a result of the Postal Service’s rising workers’ compensation cost and long term liabilities.

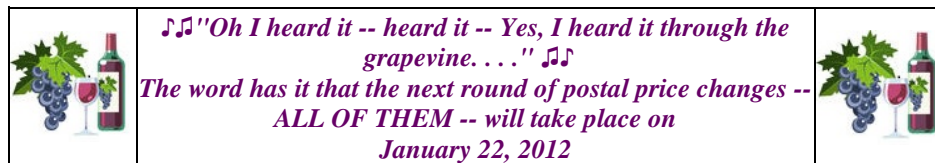


- The U.S. Postal Service Office of Inspector General (OIG) has released a white paper suggesting the Postal Service consider the simplified address concept in particular and simplified rules and pricing in general. This review of simplified address in fall 2010.
- For the past several months, PostCom has been working closely with Ursa Major Associates in fashioning a conference that is intended to better focus postal policymakers vision of the future as a prelude to enacting a more enduring postal reform. On June 15, we will be joining with Ursa Major in sponsoring a day-long conference called PostalVision 2020. It will be held at the Crystal City Marriott Hotel in Arlington, VA. The conference has called upon some of the nation's foremost thought leaders to guide our exploration of today's rapidly changing communication scene.
- APWU members approved a new contract May 11, with more than 75 percent of those casting ballots voting in favor of ratification. The final tally was 69,451 to 22,351 in balloting that ended May 10. The agreement will expire May 20, 2015.
- USPS digital strategy "not ready for prime time." Senate Subcommittee to hold postal hearing. Contracting opportunities. Smith urges USPS to evaluate impact of closing rural post offices. USPS proposes changes to analytical principles. Salaries of top postal executives revealed. White House announces PRC nominees. CAGW urges five-day service after more postal losses.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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



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




There will be a hearing on the Postal Service conducted by the Senate Committee on Homeland Security & Governmental Affairs on "Addressing the U.S. Postal Service's Financial Crisis" held at 10:30 on May 17, 2011. [http://hsgac.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing\\_ID=36963033-9877-40d8-97c5-3dbef510620e](http://hsgac.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=36963033-9877-40d8-97c5-3dbef510620e)



Did you by any chance miss the two live webcasts PostCom did from the National Postal Forum? Well, you castill give them a look-see. Just go to: <http://www.grayhairsoftware.com/PostCom/>

If you missed the PostCom webinar on the National Postal Forum wrap-up, then go here: <https://www1.gotomeeting.com/register/287554256>

 Alert from the National Association of Major Mail Users: Take Action! Although we continue to call for "business as usual", it is the home stretch of the negotiation process. NAMMU has formally communicated with the President of Canada Post, as well as the representatives of each of the political parties with the business impact statement. We are sending a positive message of support for a negotiated settlement that benefits the Corporation, its employees, citizens, and the business community that relies on these postal services. For more information, contact: [executive@nammu.ca](mailto:executive@nammu.ca)

 *At the Postal Regulatory Commission:*

- **RM2011-10** Order No. 727 - Notice of Proposed Rulemaking on Analytical Principles Used in Periodic Reporting (Proposal Two) [http://www.prc.gov/docs/72/72767/Order\\_No\\_727.doc](http://www.prc.gov/docs/72/72767/Order_No_727.doc)  
[http://www.prc.gov/docs/72/72767/Order\\_No\\_727.pdf](http://www.prc.gov/docs/72/72767/Order_No_727.pdf)

May 12, 2011



# USPS' Mobile Barcode Promotion Overview

Join us for a Webinar on May 18

**REGISTER NOW**

**Space is limited.** Reserve your Webinar seat now at:

<https://www1.gotomeeting.com/register/686727169>

"Please join PostCom for a webinar on Wednesday, May 18th to discuss the USPS' proposed Mobile Barcode Promotion. Angelo Anagnostopoulos, GrayHair Software, and Wallace Vingelis, Window Book, will walk you through the proposed promotion qualifications and give you some insight into how to creatively use Quick Response codes in your mailings to increase the relevance and value of direct mail as it integrates with the Internet."

**Title:** *USPS' Mobile Barcode Promotion Overview*


**Date:** Wednesday, May 18, 2011


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





**House Committee on Oversight and Government Reform: "Where Have All the Letters Gone? - The Mailing Industry and Its Future"** [EdNote: [A summary of key points](#) raised by the witnesses as well as responses to questions also have been posted on this site.]

- [Dave Riebe](#), President of Logistics and Distribution, Quad/Graphics
- [Jerry Cerasale](#), Senior Vice President, Government Affairs Direct Marketing Association
- [Rob Melton](#), Vice President of Specialty Paper, Domtar
- [Todd Haycock](#) Director, Postal Services 3i Infotech, North America

 **WBOC:** Some postal workers in Frederick are challenging a U.S. Postal Service proposal to move local mail-processing operations to Baltimore.


 **WZZO:** U.S. Postal Service loses \$2.2 billion in 3 months.


 **NEMS360.com:** Postal officials need more time to decide if consolidating some of Tupelo's mail operations with those in Grenada makes sense. The United States Postal Service typically renders a decision within two months of launching a consolidation study, but the Tupelo-Grenada deadline passed four weeks ago.


 **Press Release:** Francotyp-Postalia Austria, a subsidiary of the global FP Group, is set to launch FP webpost and become the pioneering force behind the use of hybrid mail in Austria. The term hybrid mail simply refers to the process of sending an electronic file that is then delivered as a conventional letter. This offers significant advantages: Conventional letters still command a high level of attention among recipients even in the age of


increasing digital communication and therefore remain an attractive communication medium for many senders. At the same time, the sender not only saves time and money, but helps conserve the environment as well.


 [Hellmail](#): Norwegian government snubs EU directive as mail volume decline continues.

 [PR-Log](#): "Zumbox CEO to Lead Educational Session on Digital Postal Mail at Fusion 2011"


 [Lexology](#): The USCIS recently announced that it is fully implementing its Secure Mail Initiative (SMI) which uses U.S. Postal Service Priority Mail with delivery confirmation to deliver certain immigration documents in a safe, secure and timely manner. The USCIS was previously using SMI to deliver Permanent Resident Cards and Re-Entry Permits. The USCIS has now expanded the program to include Employment Authorization Documents.


 [U.S. Attorney's Office, District of Massachusetts](#): A federal postal inspector and a former law firm paralegal have been charged with perjury and obstruction of justice.


 [Multichannel Merchant](#): Just when it seems like the postal outlook is improving for catalogers — what with the CPI-capped rate hikes, the denial of the exigent rate case last year, a new Postmaster General who seems to get the plight of catalog mailers — then wham! The hammer comes down, and Standard Mail flats are facing a 22% rate increase this year or next. [*EdNote: Be sure also to read the item noted below by [PostCom Executive Vice President Jessica Lowrance](#) which debunks this rumor.*]


 [American Postal Workers Union](#): APWU members approved a new contract May 11, with more than 75 percent of those casting ballots voting in favor of ratification. The final tally was 69,451 to 22,351 in balloting that ended May 10. The agreement will expire May 20, 2015. Ballots were tallied May 11. The count was conducted by the American Arbitration Association, under the supervision of the Rank and File Bargaining Advisory Committee. "The new contract is an important achievement for the APWU," said President Cliff Guffey. "We were able to retain protection against layoffs, bring back thousands of jobs in each craft, and limit excessing.


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


 Deutsche Post enjoyed a good tailwind from the economic upturn. In the first quarter the company significantly increased its turnover and profit - and exceeded analysts expectations.


 Swiss Post recorded strongly increased profits in the first quarter due to the positive development of its financial division.


 Dutch PostNL wants to accelerate growth through internet transactions after the split-up of TNT.


 According to the postal union the privatisation of Royal Mail would lead to a dramatic reduction of the UK's postal branch network.


 Deutsche Post CEO Frank Appel called for the abolishment of price regulation on the German mail market.


 The Brazilian government announced profound reforms at ECT Correios again.


 The shares of TNT Express N.V. will be an outstanding investment - according to the company's top executives at least.

 DHL and DPD, the two largest parcel services in Germany, will start to give their customers notice of the exact date of the delivery in advance.


 The Mafia's infiltration of TNT Express in Italy was obviously much more farreaching than originally thought. According to Dutch daily news »Algemeen Dagblad« (09.05) two top executives of Italian TNT knew that their contractual partners were members of the mafia syndicate 'Ndrangheta.


 Swiss Post is searching for partners on the Germany CEP and logistics market according to ongoing market rumours.


 The so-called De-Mail law went into effect on May 3 in Germany. The law is supposed to define the basis for legally binding e-mails.

 The services of Empost, the courier, express, freight and logistics subsidiary of Emirates Post,

are now available in all post offices in the United Arab Emirates.


 Thailand Post offers a new service for lychee farmers in Samut Songkram province since Wednesday last week. The fruits from this region which are known as the 'queen of lychee', has been included in the menu of the postal food delivery service and can now be ordered by phone, via the website [www.postemart.com](http://www.postemart.com) or at all post offices.


 The general meeting of the three German associations BdKEP, pagd Postagenturnehmervverband Germany and ISSiT agreed on the planned close co-operation of the three lobby groups.

 The U.S. Postal Service obviously plans to regain lost ground in the parcel market. Last week an USPS spokesman confirmed that the post will have a track and trace system 'that is every bit as good as anybody else in the marketplace'. Initially this new service will only be available for commercial parcels. Later USPS will expand the track and trace service on all postal items.





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.)*


 [Belgium](#): The Federal Public Service of Finance (SPFF) in Belgium has awarded Pitney Bowes part two of the FedoPress project which aims to completely replace their existing print and mail facility located in Brussels.


 [Hellmail](#): Estonian Post said today that that it had seen a 53% higher turnover on direct mail services compared to the same period in 2010.


*May 11, 2011*

 **President Barack Obama has announced his intent to nominate the following individual to a key Administration post: [Mark Acton](#), Commissioner, Postal Regulatory Commission** President Obama announced his intent to nominate the following individual to a key Administration post: Mark Acton, Commissioner, Postal Regulatory Commission. Commissioner Mark Acton has served on the Postal Regulatory Commission and its predecessor the Postal Rate Commission since August 2006. Commissioner Acton is currently Vice Chairman of the Postal Regulatory Commission. Prior to his appointment, Mr. Acton served as Special Assistant to the Chairman of the Postal Rate Commission assisting in managing all aspects of agency operations. Commissioner Acton has an extensive professional history of active involvement in the public policy arena, including more than five years handling legislative and regulatory concerns as Staff Director for the Republican National Committee Counsel's Office. Commissioner Acton is an active member of the University of Louisville Alumni Association and the Kentucky Society of Washington. He attended the University of Louisville and has a Master of Business Administration from the University of Maryland.

 **[Robert G. Taub](#), Nominee for Commissioner, Postal Regulatory Commission** Robert G. Taub is currently the Special Assistant to Secretary of the Army John McHugh. Prior to this, Mr. Taub spent significant time working in the U.S. House of Representatives, including serving for a decade as Chief of Staff to then-Congressman McHugh. He has extensive expertise with postal policy and was instrumental in developing the 2006 Postal Accountability and Enhancement Act, which modernized America's postal laws for the first time since 1970. Mr. Taub served for 12 years on the House of Representative's Oversight & Government Reform Committee in a series of senior positions, including service as Staff Director of its former Postal Service Subcommittee. In addition, he was a senior analyst at the U.S. Government Accountability Office from 1987 to 1994. Mr. Taub received his B.S. and M.A. in political science from American University.


 **Reuters:** Costly fuel and harsh weather are leading more people to shop from home this year -- good news for FedEx (FDX.N) and United Parcel Service (UPS.N) as online sales jumped by double digits in the first quarter.


 **Barron's:** FedEx is a great company and brand in the global economic expansion and our outlook has improved moderately, supported by a possible turnaround in less-than-truckload (LTL) and some Ground pricing momentum.


 **BusinessWire:** Today, Citizens Against Government Waste (CAGW) issued a statement insisting that the United States Postal Service (USPS) be granted the authority to cancel Saturday delivery, close excess postal facilities, and take more aggressive managerial action to shore up its finances in the short run. The statement came in reaction to the national mail service's staggering loss of \$2.2 billion in the first quarter of 2011, after losing \$8.5 billion in fiscal year (FY) 2010. Estimates of the savings that would result from moving to five-day service range from \$1.7 billion (Postal Regulatory Commission) to \$3.1 billion (Postal Service) annually.

 *At the Postal Regulatory Commission:*


- **R2011-5** Motion of the Saturation Mailers Coalition and Valassis Direct Mail, Inc. to Submit A Reply to Comments of the Public Representative  
<http://www.prc.gov/docs/72/72757/SMC-motion PR.pdf>
- **CP2009-61** Notice of United States Postal Service of Change in Prices Pursuant to Amendment to Parcel Select & Parcel Return Service Contract 2 <http://www.prc.gov/docs/72/72759/Notice.PRS-PS%202%20Amendment.pdf>  
[http://www.prc.gov/docs/72/72759/PSPRS2\\_Amendment\\_Analysis.Public.xls](http://www.prc.gov/docs/72/72759/PSPRS2_Amendment_Analysis.Public.xls)  
[http://www.prc.gov/docs/72/72759/PS-PRS%20MP%20MODEL%20\(FY10.PRC\).Public.xls](http://www.prc.gov/docs/72/72759/PS-PRS%20MP%20MODEL%20(FY10.PRC).Public.xls)  
[http://www.prc.gov/docs/72/72759/SupportPSPRS\\_FY10.PRC.Public.xls](http://www.prc.gov/docs/72/72759/SupportPSPRS_FY10.PRC.Public.xls)

 **According to PostCom Executive Vice President Jessica Lowrance,** "There have been rumors within the industry that it should expect or budget for a 23 percent increase for Standard Mail flats during the next annual USPS price change early in 2012. This type of rumor can have disastrous consequences for mail volume as businesses begin media choices for 2012 across the nation. To a novice postal user or out-of-the-loop type of mailer, this type of news may force their hand in leaving mail altogether or test other media at a more accelerated pace."

 **Press Release:** Neopost Limited, Europe's leading supplier of mailroom solutions, including franking machines and letter folding and inserting equipment, announced today that from 9th May 2011, franking machines users who send more than 500 letters in one posting can benefit from an additional 16% saving on their postage costs with Cleanmail Advance (CMA). Cleanmail Advance is an unsorted business letters product from Royal Mail which can save users from 16% off postage costs per letter. CMA can be used with both 1st and 2nd Class letters to provide significant savings for small to medium businesses. Combined with volume related discounts, these tariffs are competitive with alternative carriers and are backed by Royal Mail's independently audited quality of service commitments.

 **Dead Tree Edition:** The watchdogs that keep an eye on the U.S. Postal Service have taken on an unusual role – dreaming up new products and other innovations for the Postal Service. The trend is highlighted by the USPS Office of Inspector General's release yesterday of a request for proposals to determine how the Postal Service can innovate. The selected consulting company would “benchmark the Postal Service against ten successful companies” to identify best practices and processes in “innovation management” that can be adopted by USPS.

**PostalVision 2020**  *Missed the news clip on PostalVision 2020 broadcast on NewsChannel 8? Then [see it now on the web.](#)*


 **Cato@Liberty:** Postal Vision 2020 is a conference scheduled for June in Arlington, VA, that will discuss the U.S. Postal Service's long-term prospects in our increasingly digitized world. That sounds like a good group for discussing ideas on how to “remake the nation's mail delivery service” given that the USPS is the antithesis of




companies like Google. Creative, innovative, entrepreneurial, and competitive are words that one would associate with Google—not the government’s mail monopoly. However, should these folks be getting together to discuss saving the USPS? That notion strikes me as akin to having Henry Ford come up with ideas on saving the horse and buggy. Unfortunately, the sclerosis at the USPS is a reflection of the sclerosis in Congress.


 *At the Postal Regulatory Commission:*


- **USPS Quarterly Performance Reports** Quarter 2 of FY 2011  
[http://www.prc.gov/docs/72/72751/LETTER\\_REPORTS\\_QUARTER\\_2\\_001.pdf](http://www.prc.gov/docs/72/72751/LETTER_REPORTS_QUARTER_2_001.pdf)  
<http://www.prc.gov/docs/72/72751/First-Class%20Mail%205-10-11.zip>  
<http://www.prc.gov/docs/72/72751/Special%20Services%20112%20Scores%20Report%20final.zip>  
<http://www.prc.gov/docs/72/72751/Periodicals.zip>  
[http://www.prc.gov/docs/72/72751/Package\\_Services.zip](http://www.prc.gov/docs/72/72751/Package_Services.zip)

 Posted on this site are the [slides from the presentation by the Chief Financial Officer](#) of the USPS to the Board of Governors.

*May 10, 2011*

 **Post & Parcel:** The European Commission announced Tuesday it is to extend the formal investigation into the amount of state aid paid by Germany to Deutsche Post. An in-depth investigation was launched in September 2007 in light of complaints from Deutsche Post’s competitors, including UPS, who alleged the company had “disproportionally benefited from public transfers and pension subsidies between 1990 and 2007”.

 **Washington Post:** Postmaster General Patrick R. Donahoe is earning more than \$276,000 annually as head of the U.S. Postal Service, according to a new database packed with the salary information for top postal officials. Donahoe, who took over as postmaster in December, is on course to earn \$276,840 this year before deferred compensation, performance bonuses and pension payments, according to a database published by the Courier Post in Cherry Hill, N.J. Several New Jersey newspapers have tracked the earnings of top postal officials for years.

 **Bloomberg:** The U.S. Postal Service, which says it will be insolvent by September without congressional permission to delay a required payment, reported a widening second-quarter loss as first-class mail volume declined. The loss expanded to \$2.6 billion in the three months ended March 31 from \$1.9 billion a year earlier, Louis Giuliano, the chairman of the Postal Service’s board, said today at a meeting in Washington. Revenue declined 2.8 percent to \$34.1 billion. First-class mail volume fell 7.6 percent. The Postal Service, which reported a loss of \$8.5 billion in its 2010 fiscal year, is seeking to cut expenses by eliminating Saturday mail delivery and restructuring labor contracts. It’s also urging Congress to change laws requiring it to pay now for health-care benefit costs of future retirees, saying that it will otherwise run out of cash. See also [CNN](#), [Reuters](#), and [Government Executive](#).

 *At the Postal Regulatory Commission:*

- **Form 10-Q Report for Quarter Two**, Fiscal Year 2011  
[http://www.prc.gov/docs/72/72736/Quarter\\_II\\_%20FY11\\_10Q\\_FINAL.pdf](http://www.prc.gov/docs/72/72736/Quarter_II_%20FY11_10Q_FINAL.pdf)  
[http://www.prc.gov/docs/72/72736/Transmittal\\_letter\\_10Q\\_2011\\_5-10\\_\(2\).pdf](http://www.prc.gov/docs/72/72736/Transmittal_letter_10Q_2011_5-10_(2).pdf)
- USPS Preliminary Financial Information (unaudited), March, 2011  
[http://www.prc.gov/docs/72/72750/MAR-11\\_PRC\\_-\\_Final.pdf](http://www.prc.gov/docs/72/72750/MAR-11_PRC_-_Final.pdf)  
[http://www.prc.gov/docs/72/72750/Letter-PFI\\_MARCH\\_2011\\_001.pdf](http://www.prc.gov/docs/72/72750/Letter-PFI_MARCH_2011_001.pdf)
- National Trial Balance, March, 2011 (FY 2011); and Statement of Revenue and Expenses, March, 2011 (FY 2011)  
[http://www.prc.gov/docs/72/72749/National%20Trial%20Balance%20-%20Redacted.%20%20Mar.%202011%20\(FY%202011\).xls](http://www.prc.gov/docs/72/72749/National%20Trial%20Balance%20-%20Redacted.%20%20Mar.%202011%20(FY%202011).xls)  
[http://www.prc.gov/docs/72/72749/Statement\\_of\\_Revenue\\_and\\_Expenses\\_-](http://www.prc.gov/docs/72/72749/Statement_of_Revenue_and_Expenses_-)

[Redacted, March, 2011 \(FY 2011\).xls http://www.prc.gov/docs/72/72749/Letter-NTB\\_SRE\\_MARCH\\_FY\\_001.pdf](http://www.prc.gov/docs/72/72749/Letter-NTB_SRE_MARCH_FY_001.pdf)

***Kudos to the USPS Board of Governors who conducted its first ever webcast of a postal board meeting.***



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

- [Simplified Address Mail: An Easier Way for Small Businesses to Reach Local Customers \(Report Number RARC-WP-11-004\)](#). Is there a market for a simple, inexpensive mail product for small businesses and others to connect with local customers? According to recent research from the Office of Inspector General, the answer is yes, with potential new revenue of over \$1 billion. In January, the Postal Service decided to expand the simplified address mail concept to city routes and, thus, joined the world's other major posts in offering such a product. Since then, the Postal Service has introduced a market test and attempted to make the product less expensive and easier to use for small businesses. The white paper *Simplified Address Mail: An Easier Way for Small Businesses to Reach Local Customers* examines the concept of and potential market for this product and suggests ways for it to perform to its full potential.


**Press Release:** Document Data Solutions (DDS), a leading provider of tracking and integrity systems for high volume document operations, announced today the release of a fascinating case study that describes the challenges and the innovative solutions employed to execute the most successful census in US history. The highest profile mailing job in a decade required extremely tight controls; not only to assure privacy and accuracy, but also to maintain the operational productivity that allowed DDS customer Superior Mailing Services (SMS) of Bedford Park, Illinois to accurately mail census forms to every US household over an intense eight-month period, meeting all government requirements. The study, which may be downloaded free from the News and Events page at [www.dds-usa.com](http://www.dds-usa.com), describes the unique challenges of maintaining integrity on such a large job distributed over a shop floor filled with high-speed equipment – all in real time.


The USPS has posted its “Structured Release Schedule” on its RIBBS site establishing four releases per year – two major and two minor. Here is the schedule for the 2012. <https://ribbs.usps.gov/index.cfm>


<b>Post NPF - Executive Summary</b>
<b>Join us for a Webinar on May 11</b> <b>REGISTER NOW</b>
<p><b>Space is limited.</b> Reserve your Webinar seat now at: <a href="https://www1.gotomeeting.com/register/287554256">https://www1.gotomeeting.com/register/287554256</a></p> <p>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&amp;A session at the end to determine the need to have follow up web events to spend more time on topics as requested. This web event will be presented by PostCom Board Director David Robinson, Pitney Bowes.</p>


**Title:** Post NPF - Executive Summary **Date:** Wednesday, May 11, 2011 **Time:** 1:00 PM - 2:00 PM EDT


 [Financial Times](#): German postal and logistics group Deutsche Post said world economic growth had raised global freight and parcel volumes in the first three months of the year, leaving it confident of matching its full-year business forecast.


 [RTT News](#): German postal and logistics firm Deutsche Post DHL Tuesday reported a sharp decline in first-quarter profit, due mainly to valuation effects related to the sale of consumer lender Postbank. Excluding this accounting effect, earnings increased 27 percent from last year, helped by rise in demand from Asia. Further, the company confirmed its full year profit guidance. See also [Bloomberg Business Week](#).


 [Reuters](#): Dutch company TNT will be a compelling investment opportunity after it spins off its Express unit, the head of its rebranded mail business said, shrugging off declining postal volumes in the Netherlands. Steady dividends will be tempting enough for investors to back PostNL, TNT's mail unit, as a separate company, its chief executive, Harry Koorsta, told analysts on Monday. "Yes, there is a decline in the Netherlands but with all the savings plans in place it will remain profitable and, yes, we have compensation in our portfolio -- parcels, international, and services and solutions," Koorsta said. Shareholders were set to vote on a split from Express on May 25.


 [The Engineer](#): The Royal Mail has become the world's first postal company to help businesses make their post 'interactive', using **digital watermarking technology**. To view the digital content, users simply need to download the free Digital Space App from the Apple and Android app stores onto their 3G phones. Then, by holding the 3G phone over the digitally watermarked image — which is indicated by a symbol — users will be given instant access to a company's online content, such as a website, video or Facebook page. Launched by Royal Mail's Door to Door unit in partnership with Digital Space, the digital watermark can be embedded into pictures on leaflets and mailings. The watermark enables marketers to integrate their print and online material **without the need for barcodes or Quick Response codes**.


 The [Subcommittee on Federal Workforce, U.S. Postal Service and Labor Policy](#) hearing will take place at 9:30am in room 2247 of Rayburn House Office Building. "Where Have All The Letters Gone? - The Mailing Industry And Its Future" You can view the hearing live at [oversight.house.gov](http://oversight.house.gov).  
[http://oversight.house.gov/index.php?option=com\\_jcalpro&Itemid=1&extmode=view&extid=272](http://oversight.house.gov/index.php?option=com_jcalpro&Itemid=1&extmode=view&extid=272)

 [The Telegraph](#): Shutl, which is just 18 months old, has raised £650,000 as one of Europe's largest postal networks joined existing backers in its latest investment round. The technology works by connecting retailers with local same-day couriers in a virtual marketplace. Delivery capacities are compiled in a web service which can be integrated with retailers' e-commerce platforms, allowing them to offer a specified same-day delivery slot at a price comparable to the cost of standard multi-day delivery by relying on local stock and couriers rather than a handful of centralised hubs.


 [Congressman Adrian Smith](#) (R-NE), along with Congressman Lee Terry (R-NE) and Congressman Jeff Fortenberry (R-NE), sent a letter to the Postmaster General of the United States Postal Service (USPS) urging the agency to keep in mind the impact on local communities when considering the closing or consolidation of a rural mail facility.


 [Courier, Express, and Postal Observer](#): "Surviving and Thriving with Social Media: a Social Media Primer for Printers" is a great introduction to social media for anyone trying to take the first step into using social media to market their products or services. In a beautifully presented format it illustrates how various types of social media are being used to complement traditional marketing approaches.


 [The Times of India](#): Worrying over wrapping a parcel before sending it from a post office is now a passe. The department has come out with a safe box to wrap gifts. The boxes will be transported via Air Express service to ensure faster and efficient delivery. They will be sold and booked at the identified post offices and can be sent anywhere across India. Customers will have to do documentation on the postal box by giving details of the self and the recipient addressee.


 [Federal Times](#): The U.S. Postal Service could save almost \$38 million per year under a plan to rein in the federal workers' compensation program, a new report by the USPS inspector estimates. The Postal Service is the biggest participant in the program, which was created almost a century ago by the Federal Employees' Compensation Act and supplies workers across the government with tax-free benefits as long as a doctor keeps certifying that their particular disability persists. For disabled employees with at least one dependent, the base compensation rate is 75 percent of salary; for those with no dependents, it is almost 67 percent. Upon reaching retirement age, those workers often opt to continue receiving workers' comp in lieu of their pensions because workers' comp pays better, the report said.

*May 9, 2011*

 [Post & Parcel](#): Delegates at last week's National Postal Forum hoping to hear of US Postal Service plans for digital mail services were disappointed to hear only references to "work in progress". Among the array of ideas for furthering the physical mail in the light of declining volumes in the financial powerhouse that is First Class Mail, USPS executives revealed that they were in the process of drawing up some kind of digital strategy. But after months of innovation symposia and meetings with experts, chief marketing/sales officer Paul Vogel said last week: "The digital strategy is not ready for prime time."

 [KEZI](#): The Oregon House unanimously passed a provision last month that would make it easier for people with disabilities to access their mailboxes. If passed, cities and counties would have to adopt standards to make clustered mailboxes accessible for people with wheelchairs and other disabilities. Right now the U.S. Postal Service doesn't have accessibility requirements for those types of mailboxes.


 [Lexington Herald-Leader](#): By January it will take two days instead of one to send a letter from far Eastern Kentucky to Lexington, Frankfort and other parts of the state. The U.S. Postal Service will be closing sorting centers in Pikeville and Ashland, routing mail instead through Charleston, W.Va. Work from two other sorting centers also is being transferred, and more than 20 small Kentucky post offices are being closed as the postal service tries to save operating expenses.

 [PRNewswire](#): International shipping just became easy and cost effective for individuals around the world with the global launch today of [www.shippingeasy.com](http://www.shippingeasy.com), a website providing low cost access to international and domestic shipping services.



**FedBizOps:**

- The [U.S. Postal Service](#) is soliciting for international ocean service to transport mail and sac vides from various locations internationally.
- The [U.S. Postal Service, Office of Inspector General](#) (OIG) intends to award a contract to a qualified organization to assist OIG staff in examining innovation management processes at ten major U. S. corporations to identify best practices/processes that can be adapted for use by the U. S. Postal Service.

 [BusinessWire](#): Vertis Communications, a results-driven marketing communications company that delivers inventive advertising, direct marketing and interactive solutions to prominent brands across North America, announced today that it received the Eastern Area Vice President's Award for Strategic Business Development from the U.S. Postal Service. Vertis was recognized for its commitment to innovation and collaboration in managing and

optimizing large, time-sensitive First-Class mailings for clients such as Medco Health Solutions, Prudential, Sterling Jewelers and dunnhumbyUSA's Kroger brands, as well as agencies in the federal government.



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

- [Mystery Shopper Program \(Report Number HR-MA-11-002\)](#). Our review found that a postal employee compromised the integrity and objectivity of the Mystery Shopper Program, because information regarding mystery shop sites, as well as the dates and scenarios of scheduled evaluations, was available to anyone who accessed the Mystery Shopper Program website. Although the employee did not complete an evaluation, the employee distributed the information to other postal unit and retail managers via e-mail.
- [Retirement of U.S. Postal Service Employees on Workers' Compensation \(Report Number HR-MA-11-001\)](#). We determined that if the Postal Service reformed the Federal Employees Compensation Act to convert compensation benefits to 50 percent of the employee's monthly pay when they reach retirement age, the agency could save approximately \$37.8 million annually or \$378 million over 10 years.

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

- **It's a Small World, After All.** In Throughout history, people sought better ways to correspond and trade over great distances. The postal services were no exception. Technological advances have re-energized globalism, threatening traditional mail segments, but also creating new opportunities. This dramatically changed and stimulated business environment has caused many foreign posts to adapt their business model to enter novel markets, diversify product offerings, and develop opportunities in non-traditional sectors to stem the posts' declining mail businesses. What about our Postal Service? Check out our blog and vote on which global opportunity the U.S. Postal Service should pursue. Tell us what you think at <http://blog.uspsoig.gov>.

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

- [Postal Service Core Strategy Linkage – 11WG003CI000](#). In December 2010, the Postmaster General announced four core strategies to shape the Postal Service's future: 1) Strengthening the business to consumer channel; 2) Improving the customer experience; 3) Competing for package business; and 4) Becoming a leaner, faster, and smarter organization. For this project, we will be assessing the Postal Service's strategic organizational linkage for implementing these strategies. We will be conducting our field work at Postal Service Headquarters.
- [Flint Consolidation – 11XG033EN000](#). The Office of Inspector General will review the area mail processing (AMP) study for the Flint, MI Processing and Distribution Center (P&DC). During the review, we plan to assess proposed efficiency gains, cost savings, service implications, staffing changes, and stakeholder concerns. This review responds to a request from Representative Dale E. Kildee of Michigan's 5th Congressional District.
- [Domestic Mail Manual Preparation and Mail Acceptance Procedures – 11WG002CI000](#). The Office of Inspector General (OIG) Office of Audit (OA) will review the U.S. Postal Service's mail preparation and acceptance procedures. Our overall strategy for this audit is to obtain a general understanding of the mail preparation and acceptance process. We plan to meet with management and review documentation to obtain an understanding of these procedures.
- [US Postal Service Foreign Posts Comparison – 11XG034NO000](#). As mail volume continues to decline, the Postal Service must find ways to increase efficiency and improve productivity. We plan to compare trends at selected European Foreign Posts to the Postal Service. Comparing the Postal Service to its foreign



counterparts may provide opportunities to determine the most efficient methods of operation and to improve productivity.



**U.S. Postal Service Press Release:** Building on the simplicity of flat-rate shipping and value of Forever postage, the U.S. Postal Service today announced a new way to ship that lets customers lock in future postage at current prices using select Priority Mail Flat Rate packaging. Prepaid Forever Priority Mail Flat Rate packaging ushers in a new approach to shipping designed to match the preferences of an increasingly agile, value-oriented marketplace. Available for online ordering at [usps.com/shipping/prepaid.htm](http://usps.com/shipping/prepaid.htm), Prepaid Forever Priority Mail Flat Rate packaging is the only prepaid packaging option currently available in the domestic shipping market.

**PRNewswire:** Tomorrow sees the opening of Eurogiro's annual Community Meeting, during which more than 60 members of the Eurogiro network, present in 48 countries, will come together to share strategies for the development of the money transfer business throughout the world. Many payments made in Poland and transferred rapidly and reliably to a beneficiary in another country are likely to have been carried out automatically by Eurogiro, a partner of important postal organisations, banks and networks in the international electronic payments business.



**Analytica:** DHL Supply Chain has launched DHL Supply Chain Matters, a new online industry resource aiming to help readers navigate the complex modern logistics environment. Utilising DHL's global reach and industry expertise, DHL Supply Chain Matters will demonstrate how organisations can gain a cutting edge through innovation and optimisation, sharing experiences and best practice from across the world of logistics.

**TopTenWholesale:** . There are many requirements for shipping products overseas. When selecting an international shipper, SMBs must have an understanding of the many international shipping options and their pros and cons. Time in transit is an important consideration when selling to an overseas market. Customer satisfaction is essential, and ensuring that customers receive their products on time is an important competitive advantage for business success.


**Independent:** An Post is failing to deliver three in every 20 letters within a day of being posted -- despite promising to increase efficiency and hit a 94pc next-day delivery target seven years ago. A tracking survey of postal service and quality has found 85pc of standard letters, large envelopes and packets reached destinations within one day. But the Commission for Communications Regulation (ComReg) warned that it still fell far short of An Post's own target for 94pc one-day deliveries.


**The City Wire:** Information in a report used to justify the move of a mail processing center in Fort Smith to Fayetteville raises questions about key claims Postal Service officials made before and during the public input process, according to former Postal Service union official Thomas Henry.


*May 8, 2011*

**Dead Tree Edition:** The Postmaster General didn't just tell major customers this week that the U.S. Postal Service is a business and not a government agency. He followed up with a move right out of the corporate playbook -- announcing plans to stiff a major creditor. Pat Donahoe's revelations at the National Postal Forum about what the Postal Service planned to do, such as simplified rules and a new ad campaign -- got most of the media attention. But at least as significant was what he said about what the Postal Service will not do. It will no longer see itself as "the face of the federal government in every community." It won't offer banking services. It won't sell cell phones. And it might not make a controversial payment to the federal government that is due Sept. 30.

**Sunday Sun:** Delivering a third class service has cost Royal Mail almost half a million in compensation. Postman Prat and his pals who either stole, lost or damaged our letters and parcels led to more than 38,000 complaints against posties in two years. And 43 disloyal delivery men and women have either been given the sack or quit in shame when investigations were carried out. Royal Mail pays out compensation for lost, mis-delivered and damaged packages and letters. . . and in 2008/9 and 2009/10 they were forced to fork out a whopping £485,053 to unhappy customers.

 [Zawya](#): A new service by a local start-up is aiming to close the postal loop in Dubai and bring mail directly to your doorstep. While many nations around the world have long had systems that allow for post to be delivered straight to a resident's door, Dubai has missed out, due largely to the city's constantly changing road system and infrastructure making formal addresses or zip codes hard to implement. Starting with the Palm Jumeirah, Emir Mail, is planning to offer customers who register a PO Box number. But, unlike traditional PO Boxes - where the subscriber has to collect their post - the firm will install a fixed, lockable post box outside or near homes. The firm then says it will deliver post three times a week to the individual locations.


 [National Association of Letter Carriers](#): The 19th annual NALC National Food Drive will be held again on the second Saturday in May—this year, on May 14—and more than 1,500 NALC branches from every state, involving more than 10,000 cities and towns, will help stock community food banks, pantries and shelters for the summer months. [EdNote: *The National Association of Letter Carriers was the recipient of PostCom's highest award, the J. Edward Day Award, in recognition of this annual food drive effort.*]

 [Watertown Daily Times](#): Town Supervisor Jerry G. Moore said closing the U.S. post office in the hamlet is a bad idea that will create a hardship on many in the community, especially senior citizens. Mr. Moore said he won't let the U.S. Postal Service close the post office without a fight.



Smithsonian  
National Postal Museum


[Art Daily](#): The Smithsonian's National Postal Museum has acquired from The Franklin Institute a Confederate postage-stamp printing plate that was confiscated during the Civil War. The printing plate contains 400 5-cent Jefferson Davis stamp images etched in copper and weighs nearly 100 pounds. The copper plate was ordered by the Confederate States of America and manufactured by De La Rue & Co. of London in 1861. The federal vessel Mercedita captured the British ship Bermuda between Bermuda and Nassau April 27, 1862, and as part of the contraband, the printing plate was brought to Philadelphia and sold. It was never used to print stamps by the Confederacy. The Confederate printing plate was acquired by The Franklin Institute in 1954, when it was actively building a philatelic collection. Subsequently, the institute has deaccessioned and disposed of most of its postal-related objects, finding that philately is no longer consistent with its educational mission.


 [Times Record](#): Fort Smith could lose 79 jobs or more at the U.S. Postal Service's mail-processing operation on South 74th Street. Previous estimates put the figure at about 35. A copy of an Area Mail Processing study dated April 26 obtained by the Times Record states that "projections indicate a net reduction of 79 full-time equivalent" positions at Fort Smith.


May 7, 2011





["Ensuring a Viable Postal Service for America"](#)


 [PR-USA.Net](#): DataMotion, Inc., a leading provider of email encryption solutions, today announced its SecureMail technology is now available to brokerage firms for transmitting trade confirmations. When an individual places a buy or sell order, brokerage firms are required to send a trade confirmation. Since trade confirmations contain sensitive information, many are sent via postal mail -- an expensive process. Now with DataMotion SecureMail, brokerage firms can encrypt and securely deliver the confirmations electronically. The process sends the confirmations automatically from an internal system after each buy and sell is placed. The brokerage firm receives a proof of receipt for each message for reconciling its records and full tracking is available to meet the most stringent auditing requirements.

 [The American Independent](#): The U.S. Postal Service is hurting. In April, The American Independent reported that it's teetering on the brink of financial insolvency, with no obvious solution in sight. Unless something changes quickly, within five months, the USPS will default on its largest single financial obligation, an action that could have a massive impact on the mail service. It's now up to Congress to stop that from happening, but all signs point to nothing happening on Capitol Hill.

 **Trade Arabia:** Emirates Post Group said the services of Empost, the national courier company, will now be available in all post offices across the UAE. All post offices will now offer a wide range of Empost services through postal counters, including domestic and international courier services

 **Herald-Mail:** A study of the U.S. Postal Service Processing and Distribution Facility in Frederick, Md., has found that consolidating its operations with a Baltimore plant could save the agency more than \$4 million a year. But area postal workers are concerned that if the move takes place, service to the 217 zip code — which includes Washington County — will suffer.

 **Brand Republic:** The Royal Mail has been slammed by the UK's biggest magazine publisher IPC Media for its decision to up its postal rates for bulk mail by up to three times the rate of inflation.

 **Logistics Manager:** Amendments to the Postal Services Bill which would have required Royal Mail to remain in public ownership have been rejected in the House of Lords. One of the defeated amendments sought to limit the initial public offering of shares in Royal Mail. Another sought to require Royal Mail employees to be represented on the board of any new body.

## PostalVision

As a nation, we're changing the ways in which we communicate and do business.  
**Will there still be a need for a U.S. Postal Service when we get to 2020?**  
If so, what needs will it serve? How will it fare among the newer alternatives for communication and commerce?  
These and other issues will be addressed at:

**PostalVision 2020**

Date: **June 15, 2011**. Time: 8:30 a.m. - 5:30 p.m. Place: **Crystal Gateway Marriott, Arlington, VA**

Co-sponsored by the *Ursa Major Associates*, the *Association for Postal Commerce*, the *Postal Journal*, and the *Center for Study of the Postal Market*


Key headliners: **Vinton Cerf** (*father of the internet*); **Jeff Jarvis** ("*What Would Google Do?*"); **Larry Weber** ("*Marketing to the Social Web*") **Matt Swain** (*Infotrends*)

*May 6, 2011*

 **Postal Consumer Council:** "the Index of Postal Freedom's New Market Comparisons."

 *At the Postal Regulatory Commission:*

- **MT2011-4** Reply Comments of the Newspaper Association of America  
<http://www.prc.gov/docs/72/72713/naa-mt2011-4-reply-comments.pdf>
- **R2011-5** Chairman's Information Request No. 2  
[http://www.prc.gov/docs/72/72712/CHIR\\_No\\_2.pdf](http://www.prc.gov/docs/72/72712/CHIR_No_2.pdf)  
[http://www.prc.gov/docs/72/72712/CHIR\\_No\\_2.docx](http://www.prc.gov/docs/72/72712/CHIR_No_2.docx)

 **National Association of Major Mail Users:** Canada Post and the Canadian Union of Postal Workers (CUPW) are now in mediation with former conciliator, now mediator, Jacques Lessard. This will enable him to play a more active role by making suggestions and proposals to bring the parties closer together. The parties continue to work toward a negotiated settlement and Canada Post expresses confidence in achieving that goal. As a purely precautionary measure, NAMMU is also providing contingency information attributed to Canada Post: In the event that a work disruption does occur, Canada Post will not operate. Mail and parcels will not be delivered. There are

contingency plans in place to ensure the security of the facilities and safety of any items that remain in the mail stream during a work disruption. There are also plans to ensure a return to normal operations as quickly as possible following any work disruption.




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


- The Postal Service filed this week with the Postal Regulatory Commission its first-ever progress report regarding the participation rates, compliance, and data yield of bulk First-Class Mail and Standard Mail customers using Full-Service Intelligent Mail. This filing responds to the Commission's requirement in the FY2010 Annual Compliance Determination that the USPS submit these type of monthly reports.
- Postmaster General Pat Donahoe at this week's National Postal Forum told attendees that the USPS has determined that delivery is the core function of the Postal Service – a concept that the Postmaster General said will guide the USPS' business decisions to come.
- The Postal Service has responded to the Commission's Chairman's information request. The following are some of the answers to those questions.
- Just like the 1980's Wendy's commercial where customers looked between the bun of competitors' burgers and lamented "where's the beef?", some mailers have been feeling the same way over the last few months as the Postal Service has re-organized and alluded to positive changes to come...but has made few concrete announcements of those change. This week's National Postal Forum brought mailers "the beef," however, with a host of changes announced – most of which were received positively by the industry.
- Postmaster General Pat Donahoe announced at this week's National Postal Forum that based on input from industry, the USPS will issue only two major software releases a year, and also has established a regular schedule of minor software releases and facility profile updates. The USPS also announced upcoming changes to both its usps.com and RIBBS web sites.
- The USPS at this week's National Postal Forum throughout its sessions focused on how it plans to bring value to its Intelligent Mail barcode (IMb) offerings. If it can come through on all these promises and those alluded to for the future....perhaps the USPS should explore changing its name to "IMvb" for "Intelligent Mail Value Barcode."
- The USPS this week at the National Postal Forum announced current and future initiatives to continue enhancing its line of Shipping Services products.
- Postmaster General Pat Donahoe at this week's National Postal Forum announced that the USPS in September 2011 will launch a multi-media advertising campaign to promote the value of mail. Donahoe said the USPS has conducted research that reveals 75% of American businesses do not use the mail as a marketing channel. "That represents a huge opportunity if we make it easier for businesses to get started and stay in the mail, and easier to measure return on investment," he said.
- Jeff Jarvis, renowned author, blogger and digital enterprise expert will join impressive speaker line-up at PostalVision 2020 Conference in D.C. on June 15.
- USPS Board of Governors to meet May 10 in Washington DC. General RIF notices mailed April 28. USPS contracting needs tailoring, audit finds. USPS: See, an online marketing-direct mail combo does work. More from Sen Grassley on potential postal facility closing. Corbett: PRC report created difficult circumstances. PRC approves USPS proposed analytical changes. Google execs, tech experts focus on future of Postal Service. DPMG: Postal Service must fix financial issues quickly. PRC grants one-month extension on Collaborative Logistics market test. PRC approved additional proposed analytical changes. PRC authorizes gift card market test. NAPUS and National League of Postmasters submit letter to PRC on PO closing changes. PRC comments on USPS' proposed changes to post office closings. USPS sets compliance date in GameFly complaint. PMG commends APWU President. AT&T receives USPS Partnership for Progress award. PostCom members/supporters recognized by USPS.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.


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





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

 [Dallas Morning News](#): Nearly 30 letters containing a white powder — some of them from the Dallas area — that were delivered to District of Columbia schools on Thursday are similar to those mailed to schools elsewhere in the U.S. over the last several weeks, the FBI said. Preliminary testing by hazardous materials crews found the powder in the letters was not harmful. It had the look and consistency of cornstarch.


 [The Catalogue Exchange](#): Catalogue Exchange, the not-for-profit trade body established to support businesses in all areas of the catalogue and online retail community, has released details of new discounted postal rates available to members. The negotiated group discount on postage rates combines the bulk-mail volume of CatEx member companies and allows them access to lower prices than they could receive on their own. The rates are only available to CatEx members. Postal operator Citipost has been retained to run the project for a further two years, after winning a competitive pitch. It was among three suppliers to tender for the project, which is already saving CatEx member companies thousands of pounds a year on their mailings. The company has been running the scheme since its launch in April 2010.

 [Pattaya Mail](#): Thailand Post is offering lychee delivery service in order to help farmers distribute good quality lychee throughout the nation via its home delivery service.

 [PRNewswire](#): After months of extensive research and testing, the U.S. Postal Service has agreed to move forward with the Picture Permit Imprint Indicia concept introduced by Avanzado, LLC and spearheaded by the Mailers Technical Advisory Committee (MTAC).

 [Irish Times](#): The quality of An Post's delivery service remained below targets last year, according to a new report from the Commission for Communications Regulation (ComReg). Overall, 85 per cent of priority mail was delivered within one working day throughout the State, a 1 per cent improvement over 2009 but well below An Post's 94 per cent target for next day delivery. See also [Independent](#).


*May 5, 2011*


 [San Diego Union-Tribune](#): 70 percent - of California small-business owners still rate current business conditions as "fair to poor," 58 percent believe the worst is over and that business this year will be "as steady as a rock," according to a survey released today by Citibank.


 *At the Postal Regulatory Commission:*

- **CP2010-119** United States Postal Service Updated Response to Order No. 558 Concerning Termination Date of Global Expedited Package Services 3 Negotiated Service Agreement  
[http://www.prc.gov/docs/72/72694/CP2010-119\\_Order\\_558\\_Response\\_Update.pdf](http://www.prc.gov/docs/72/72694/CP2010-119_Order_558_Response_Update.pdf)
- **MC2011-24** Order No. 723 - Order Approving Mail Classification Changes  
<http://www.prc.gov/docs/72/72676/Order723.doc>  
<http://www.prc.gov/docs/72/72676/Order723.pdf>
- **RM2011-5** Order No. 724 - Order Concerning Analytical Principles for Periodic Reporting (Proposals Ten through Twelve)  
[http://www.prc.gov/docs/72/72685/Order\\_No\\_724.docx](http://www.prc.gov/docs/72/72685/Order_No_724.docx)  
[http://www.prc.gov/docs/72/72685/Order\\_No\\_724.pdf](http://www.prc.gov/docs/72/72685/Order_No_724.pdf)
- **RM2011-5** PRC-RM2011-5-LR1 - Media and Library Mail Mail Processing Cost Model  
[http://www.prc.gov/docs/72/72687/PRC-LR-1\\_MEDIA\\_MAIL\\_MP.xls](http://www.prc.gov/docs/72/72687/PRC-LR-1_MEDIA_MAIL_MP.xls)





 [Multichannel Merchant](#): The cash-strapped U.S. Postal Service may choose not to pay its \$5.5 billion annual obligation to the Treasury Department this fall. That payment covers the healthcare benefits of retired employees. The USPS will have to make a decision on this later in the year, said Postmaster General Patrick Donahoe at a press conference at the National Postal Forum in San Diego. But it seems Donahoe has already made up his mind.


 [Washington Post](#): Some of the folks responsible for developing and promoting e-mail, e-commerce and social media are banding together in an attempt to save the U.S. Postal Service, the institution arguably most threatened by the technological developments of the past few years. As mail volume continues to plummet and more Americans use the Internet to pay bills and keep in touch, Google executives, social media experts and some of the most passionate tech evangelists are planning to meet in Crystal City in mid-June to sort out how to save and remake the nation's mail delivery service. The conference, [PostalVision 2020](#), is designed to bring together "the people who understand what this technology has done, is doing and will do to digital commerce and communication in America," according to John Callan, a longtime mailing industry consultant organizing the meeting. The conference is scheduled to hear from **Vint Cerf**, Google's "chief internet evangelist," and **Jeff Jarvis**, who writes the popular BuzzMachine.com blog and is an associate professor and director of the interactive journalism program at the City University of New York's Graduate School of Journalism. He has written and blogged several times about whether or not the nation still needs a national mail delivery service. **Postal executives are also invited, according to Callan, but a USPS spokesman couldn't confirm who was invited or might plan to attend.**


 [USPS NewsLink](#): Simplicity and making it easier to do business with the Postal Service were the themes earlier this week at National Postal Forum, where USPS Executive Leadership Team members addressed a standing-room-only crowd during the Postmaster General's Executive Session.

 [Multichannel Merchant](#): At the National Postal Forum in San Diego, Multichannel Merchant sat down with Joseph Corbett, CFO of the U.S. Postal Service to discuss issues relevant to catalogs.

 [PrintWeek](#): Despite losing US \$8.5bn in its most recent fiscal year, the US Postal Service (USPS) used the National Postal Forum in San Diego this week to tout an aggressive strategy to educate businesses on the benefits of print mail - even as it tries to convince both the US Congress and the American people that an end to Saturday delivery is the key to its long term health.

 [KMEG](#): The ongoing controversy over the future of Sioux City's Postal Facilities has lawmakers searching for answers. We spoke to Senator Chuck Grassley today about the need for more information, and he says, "The government is based on the public's right to know, the public ought to have a right to know, and we're trying to force the post office to give us that information, so it can be analyzed by people being affected by this change in Sioux City." The fate of Sioux City's facility is creating a buzz throughout Siouxland including the KMEG 14 Facebook page. People seem to be arguing for both sides of the study and you can join the debate. Just log on to facebook.com/KMEG14 and let us know what you think about the USPS proposal.

 [National Association of Major Mail Users](#): Conciliation ended yesterday (May 3rd) and mediation begins today between Canada Post and the Canadian Union of Postal Workers (CUPW). Jacques Lessard, who was the conciliator, now becomes the mediator. This will enable him to play a more active role by making suggestions and proposals to bring the parties closer together. NAMMU continues to support "business as usual" behaviour by all concerned. The mailing industry is still struggling to recover from the economic downturn and even the threat of disruption moves communications away from the mail channel. See also [Masthead Online](#).


 [Washington Post](#): FedEx will pay the federal government \$8 million to settle a whistleblower's lawsuit that claimed the company's couriers blamed heightened security measures for late deliveries to avoid paying penalties for missing shipping deadlines.


*May 4, 2011*





 *At the Postal Regulatory Commission:*


- **R2011-5** Comments of Quad/Graphics, Inc.  
<http://www.prc.gov/docs/72/72661/PRC%20Comments%20-%20QR%20Codes%20-%20Quad.docx>  
<http://www.prc.gov/docs/72/72661/PRC Comments - QR Codes - Quad.pdf>
- **CP2011-45** Customer Contract Filing Notice for Global Expedited Package Services -- Non-Published Rates 2 Serial Numbers Ending: 0080-0088 and 0091-0092 <http://www.prc.gov/docs/72/72670/CP2011-45.%20Nos.%200080-0088,%200091-0092.pdf>  
<http://www.prc.gov/docs/72/72670/GEPS NPR2 Inputs Redacted 2011.02.16.xls>


 **Post & Parcel:** The US Postal Service is making a major effort to fight its way back into contention in the US package business, with a bid to make track and trace services the norm for all products. From this fall, the USPS is to offer free track and trace services for all commercial parcels that have a full-service Intelligent Mail barcode, initially excepting Lightweight Parcel Select parcels, the former Standard Mail parcels category. Jim Cochrane, vice president of product information at the USPS, told the National Postal Forum yesterday that in the long-term, the newly rebranded USPS Tracking service would offer free visibility on all items.


 **Marketing Vox:** Keeping up its campaign to illustrate the advantages of direct mail, the U.S. Postal Service has singled out Ohio-based branding agency Mlicki for a direct mail campaign that garnered a 10% response rate. Of greater interest to online marketers is the fact that this particular direct mail campaign was integrated with social media, a microsite and email marketing. Print advertising was also part of the mix. The USPS has been beating the drum of the success rate of direct mail, but increasingly studies are suggesting that when direct mail is coordinated with online marketing tactics, the response rate is even greater.


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


 In the run-up of the planned demerger TNT disappointed the profit expectations of analysts in the first quarter. A shrinking letter mail market, the high price for oil and the weak performance in Brazil triggered a drop in profits at the Dutch post.


 An 11% drop in First Class mail volume caused a drop in profits for Itella in the first quarter.


 The some 230,000 employees of Japan Post will receive a bonus despite an operating loss of almost 1bn euros.


 Singapore Post faced a decline in profits in the business year 2010/2011 despite a 7.7% increase in turnover.


 Lichtenstein Post AG slipped into the red in 2010.


 DHL Express withdraws from the domestic market in Canada. On Friday it was announced that the integrator will sell its domestic operations to the Canadian transport company TransForce.

 Royal Asia Group announced the official launch of its services in Germany last week. The Hong Kong based company claims to be the largest independent provider of one-stop courier solutions and global express deliveries. The majority of the special-speed service specialist's corporate offices are situated in Asia, South Africa and Australia.

 Stagnant sales and small profits characterized the business development of An Post in 2010.

 Jerzy Jozkowiak, the newly appointed chairman of Poczta Polska, announced to review the planned restructuring measures

 Parcel service Hermes plans to expand its business in Italy.

 In 2010 state owned Sri Lanka Post's widened its losses significantly.





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.)





[RoadTransport](#): DHL Supply Chain has launched a new online resource to allow the public and businesses to gain an insight into how the company works. The logistics giant's DHL Supply Chain Matters website demonstrates how organisations can gain a cutting edge through innovation and optimisation. Readers will also be able to subscribe to receive the content directly to their inbox.

 [WESH](#): Dozens of people in a local neighborhood are worrying over missing mail at the Port Orange Post Office. Residents said bills, graduation announcements and other mail never reached their destinations.

 [Zacks](#): DST Systems Inc. recently made two acquisitions, although the financial terms of neither were disclosed. DST Systems acquired Newkirk Products Inc., a communication solution provider to financial services and health care verticals. Newkirk delivers marketing communications solutions in printed, digital and interactive forms. These communication solutions are based on extensive market study, client-interaction as well as feedback from different related areas.


 [Overnight Prints](#): "Sample Showcase," a program launched by the United States Postal Service, is proving to be more of a boon for small businesses than many may initially have expected.

 [PR-USA](#): Harte-Hanks, Inc. has named Tony Paul as its new group managing director for mail and logistics in its Direct Marketing business. In this role, Paul leads nationwide operations for targeted mail, personalized mail and logistics, incorporating seven facilities and overseeing relationships with many key business partners.

 [Hellmail](#): Totalpost Services plc will use a £150,000 loan from FW Capital to support its strategy of becoming one of the UK's top complete mailroom services suppliers. Headquartered in Cumbria, the company will use the loan to purchase a new production line used for recycling and refilling franking machine cartridges as well as to complete its Warrington disaster recovery and business continuity centre. Totalpost also operates a mailroom services business in the US and is currently looking to set up similar operations in France and Germany.



[Susan Plonkey](#), USPS Vice President of Sales, *will* be retiring later this summer.

 [Direct Marketing News](#): The US Postal Service is in an "absolutely critical" six-month to one-year period when it must reverse its financial fortunes, Ronald Stroman, the USPS' newly minted deputy postmaster general, told reporters on May 3. However, he said the organization has a difficult task in securing Congressional support because of the current legislative body's focus on financial responsibility and its large number of new members. "A misconception in Congress is that the US Postal Service is a government agency," said Stroman, adding that the USPS "does not have the option" to punt the issue to a future fiscal year. "Some members of Congress don't necessarily see the USPS as moving quickly enough to a 21st Century institution." See also [Post & Parcel](#).



[DHL Express](#), the world's leading express mail service provider has selected advanced web services from NetDespatch to allow consumers and small businesses to access its Same Day delivery services more easily wherever they are. The DHL Same Day service enables parcels to be delivered on the same day in the UK, seven days a week. The NetDespatch eTrader system allows DHL Same Day services to be accessed by customers at home, in their office, or on the move. DHL Express worked with NetDespatch to develop an innovative booking tool through the eTrader account-free web booking platform. The result is a website that makes booking a same day collection and delivery very simple. It ensures that customers are guided through the booking process with the minimum of effort, and are able to select the precise level of service they need. The DHL Same Day service offers time critical deliveries by van or motorbike and within the hour collections. A quote for the service is displayed in detail, customers then continue the transaction by confirming and paying using a credit/debit card or PayPal. Seamless integration with the DHL Same Day despatch systems means that a courier is sent to collect the package from the customer's doorstep when requested – this could be as soon as an hour. Customers can follow the progress of their parcels from their collection to the point of delivery. The e-


Trader system provides confirmation of booking, collection and delivery alerts via email, electronic invoices and full track and trace facilities.


 *From the Federal Register:*


**Postal Regulatory Commission  
NOTICES**


Meetings; Sunshine Act ,  
25380–25381 [2011–11022]      [\[TEXT\]](#) [\[PDF\]](#)


Postal Service Market Test ,  
25381 [2011–10815]      [\[TEXT\]](#) [\[PDF\]](#)

 **TechCrunch:** Netflix is blowing the doors off its business, with \$3 billion in annualized revenue and a \$12 billion market cap driven by the transition to streaming online video. In terms of hours watched, streaming surpassed DVDs for Netflix in the fourth quarter, but CEO Reed Hastings has been preparing for this moment for more than decade. “We took out our spreadsheets and we figured we’d get 14 megabits/sec to the home by 2012, which turns out is about what we will get.” So what does his spreadsheet tell him about the next ten years? “If you drag it out to 2021, we will all have a gigabit to the home.”

 **Global Saskatoon:** RCMP and emergency crews converged on Bailey Avenue in Kelowna’s north end where Canada Post workers were evacuated from their building following a sudden illness. Police say about 40 postal workers started complaining of sore throats just after 8:00 a.m. While none have been hospitalized, the group affected were taken by bus to an undisclosed location for medical evaluation. The Kelowna Fire Department hazardous materials team entered the building and now believe a discharge of dog repellent may be to blame.

 **Irondequoit Post:** Vickie Durfee and Lisa Miller taped each box closed, as the postal worker put in the zip code of each box, making sure the box ended in the right person's hands — military moms and wives. The two came to the post office on Jefferson Road Tuesday to send off 300 packages — with more than 100 sent on Saturday, and six sent overseas last week. Each package comes with a hand-written card, lotion, lip gloss and hand cream, wrapped in vibrant colored packaging. A gift from their husbands or sons or daughters, who can't be home to celebrate Mother's Day.


 **Government Executive:** The U.S. Postal Service has sent reduction-in-force notices to administrative employees to prepare them for future downsizing. The notices went out last week with little fanfare. Postal officials earlier this year outlined plans to restructure the postal workforce and cut 7,500 jobs, including 20 percent of the administrative workforce and 10 percent of the postmaster jobs. The agency on April 28 sent general notices to administrative employees at headquarters and at other facilities who could be affected by reduction-in-force procedures.


 The Board of Governors of the U.S. Postal Service will meet in open session May 10 at Postal Service headquarters, 475 L’Enfant Plaza, SW. The public is welcome to observe the meeting beginning at 2 p.m. in the Ben Franklin Room on the 11th floor. The Board is expected to discuss the following items: Tuesday, May 10, 2 p.m. 1. Approval of minutes of previous meetings 2. Remarks of the Chairman of the Board 3. Remarks of the Postmaster General and CEO 4. Committee reports 5. Quarterly report on financial performance 6. Quarterly report on service performance 7. Tentative agenda for the June 20-21 meeting in Washington, DC Beginning May 10, 2011, **all open session meetings of the Board of Governors will be available via live audio webcast on [www.usps.com](http://www.usps.com)**. Three hours after the conclusion of the open session meeting, a recorded audio file will be available for listening. In compliance with Section 508 of the Rehabilitation Act, the audio webcast will be open-captioned. The webcast link will remain active on the homepage of [www.usps.com](http://www.usps.com) through May 13, 2011. After May 13, the recorded audio webcast will be available on [www.usps.com/about](http://www.usps.com/about).

*May 3, 2011*



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


 **Uni Global Union:** With assistance from the Government of Japan, the UPU has published a guide on "Best practices for a greener postal sector."


 **Federal Times:** When it comes to information technology projects, federal agencies have a reputation for tacking on so many one-of-a-kind requirements that the end product ends up over budget, behind schedule or both. The U.S. Postal Service, though, seems to have a contrary problem: its primary contract management system needs more customization, not less.




### *At the Postal Regulatory Commission:*


- **[39 CFR Part 241 \) \( Proposed Amendments to \) Post Office Consolidation \) and Closing Process:](#)** The Commission believes that the Postal Service's goal to apply a single set of discontinuance procedures is appropriate. However, the Postal Service's execution of this goal is lacking in one very significant way: the notification of an opportunity to appeal decisions to the Postal Regulatory Commission.


 **Business Wire:** Office Depot, celebrating 25 years as a leading global provider of office supplies and services, today announced it was honored with the Corporate Business Achievement Award by the U.S. Postal Service (USPS) at this year's National Postal Forum held on May 1-4 in San Diego, CA. Office Depot was honored for its commitment to a successful business partnership with the USPS, offering postal services and products within the Company's retail store locations nationwide.


 **Postalnews Blog:** Last week marked two critical milestones in the 2011 Organizational Redesign process. Monday, April 25, was the deadline for employees who accepted the Postal Service's 2011 Special Incentive Offer. And Thursday, April 28, General Reduction in Force (RIF) Notices were sent to employees who could be affected by a potential RIF in their competitive area. USPS prepared separate General RIF Notices for each competitive area that still may be subject to a RIF. However, not everyone in those competitive areas will receive a notice, because they went only to employees who could be affected.

 **Postalnews Blog:** This USPS OIG report presents the results of our review of the U.S. Postal Service's Mystery Shopper Program (Project Number 11YG022HR000). This was a self-initiated review conducted in response to an employee complaint received through our Hotline. Our objective was to determine whether the Mystery Shopper Program was compromised because of internal control weaknesses.


### **Hellmail:**


 Cost reductions, improved efficiencies and investment in new revenue streams combined to deliver a €5.8m operating profit for [An Post](#) in 2010, compared to €5.7m the previous year.


 According to audited figures, mail and logistics company [Estonian Post](#) closed 2010 with a 7.23m Euro profit - group profit was 7.18m Euros.


 Government plans to sell Royal Mail which end the inter-business agreement with the Post Office would lead to [over 9,000 post office closures](#), a poll of sub-postmasters commissioned by the Communication Workers Union revealed today. Sub-postmasters believe by nine to one (92 per cent) that they could not survive without Royal Mail business, but the current Postal Services Bill does not include this vital link. Up to 9,360 post offices could close according to poll results. In addition, 89 per cent of sub-postmasters say they would be unlikely to continue to run their post office under government plans to roll-out a 'Locals' model and 90 per cent say they have no confidence in the government to return services to the Post Office. See also [The Guardian](#) and [The Independent](#).


 [TNT Post](#), the largest private postal sector operator in the UK, has strengthened its management team with two senior appointments.


 [Daily Mail](#): Royal Mail was accused of providing an ‘appalling’ service yesterday after it emerged some customers are having letters delivered on alternate days. Villagers in Cavendish, near Sudbury in Suffolk, have endured the reduced service since March after losing one of their two regular postmen.


 [PRNewswire](#): DST Systems has announced that it has acquired Newkirk Products, Inc. ("Newkirk"). Newkirk is an industry leader in the development and deployment of communications, education, and investment information for clients in the retirement planning, managed care, and wealth management industries. Terms of the transaction were not disclosed. Newkirk will be operated as a unit of the Output Solutions Segment and its results will be reported in that segment.


 [The Globe and Mail](#): There’s no lack of options for small business looking to ship overseas, from courier companies to international shipping. But if your product fits into a small package, consider going with an old system that works well.


 [PRNewswire](#): Major mailers can now reduce undeliverable mail volumes and related print and postage costs, and stay better connected to their customers, thanks to a new Returned Mail Processing service through DST Output and its affiliate DST Mailing Services. Since its launch last year, the Returned Mail Processing solution has demonstrated success in multiple markets. In one instance, a large mailer that formerly received more than 20,000 pieces of undeliverable mail per day (caused by incorrect, incomplete or old addresses) has realized a 31 percent reduction in returned mail and a 70 percent reduction in addressing errors since implementing the automated solution. Within six months of handing its returned mail processing over to DST Output, the mailer also was able to cut in half its number of full-postage mail pieces and achieve additional savings by reducing the numbers of required dunning notices and adverse action letters by 20 percent.


 [Consumerist](#): As the US Postal Service faces insolvency, the relic of a pre-internet world (and symbol/punch line for inefficiency and ineptitude) has come up with a really good idea for making some extra cash: Selling pre-paid AMEX, Visa, MasterCard and Discover cards. Starting in June, the USPS will begin selling the cards to customers at around 2,000 post offices and on its web site.


 [Post & Parcel](#): The US Postal Service will launch a major advertising campaign in September seeking to promote use of the mail as a marketing tool by American businesses. Postmaster General Pat Donahoe announced to the National Postal Forum this morning in San Diego that the campaign will target the sizable 75% chunk of US businesses that currently do not use the mail for advertising purposes. The push to get advertisers on board comes as part of a USPS priority to boost the business-to-consumer channel top help counter a general decline in mail volumes. The business-to-consumer channel is currently responsible for around 70% of its revenues and 80% of mail volume, but with three quarters of businesses not using the mail for advertising, Donahoe said there was a “major opportunity” for the Postal Service. See also [DM News](#).


 [Post & Parcel](#): US Postmaster General Pat Donahoe said today that he would like to see a nationwide customer account system for the US Postal Service set up within a year.

 [Immigration Daily](#): U.S. Citizenship and Immigration Services (USCIS) has fully implemented the Secure Mail Initiative (SMI), which uses U.S. Postal Service (USPS) Priority Mail with Delivery Confirmation to deliver certain immigration documents in a safe, secure and timely manner. Made possible by a partnership between USCIS and the USPS, the SMI enables USCIS to confirm delivery of permanent resident cards and documents pertaining to travel and employment authorization. With USPS tracking information, USCIS customers can easily stay up-to-date on the delivery status of their documents and USCIS can confirm that these essential documents were delivered to the proper address.

 [KFBB](#): Montana's senior U.S. Senator Max Baucus is urging the U.S. Postmaster General to meet with him and provide a long term plan on Postal Service operations in Montana before finalizing any decisions to close facilities in the state.

 [Sioux City Journal](#): Congressman Steve King and U.S. Sens. Chuck Grassley and Tom Harkin wrote to the U.S. Postal Service on Monday to ask that the agency make public the details of the Area Mail Processing Study it is using to weigh whether to move Sioux City's mail processing operations to Sioux Falls, according to a release from King's office. Sioux City officials last week filed a Freedom of Information Act request in an effort to obtain a copy of the study.

 [Ewireinformer](#): US businesses are going to be the target of a huge marketing campaign, due to launch in September, by the US Postal Service to promote the use of mail as a marketing tool. Pat Donahoe, the Postmaster General, announced today that the campaign will target the nearly 75% chunk of US companies who are not currently using the mail for their advertising. They will be seeking to involve its mailing industry customers in the campaign. In this way, the US Postal Service wants to build a unified industry voice to promote the overall use of the mail.


 [Star-Telegram](#): Fort Worth has a reputation for rodeos, art and friendly people. Today, sadly, The Watchdog gives Fort Worth another title. Cowtown is the No. 1 city in America for thefts from blue outdoor postal collection boxes. Texas is the top state for such thefts.


 [Presentation by Patrick R. Donahoe](#), Postmaster General and CEO, U. S. Postal Service at the National Postal Forum San Diego, CA

 *At the Postal Regulatory Commission:*

- **R2011-5** Comments of L.L.Bean, Inc.  
<http://www.prc.gov/docs/72/72643/L.L.Bean-R2011-5.pdf>
- **R2011-5** Public Representative Comments in Response to the United States Postal Service Notice of Market Dominant Price Adjustment  
<http://www.prc.gov/docs/72/72646/PRComments%20FINAL.docx>  
<http://www.prc.gov/docs/72/72646/PRComments%20FINAL.pdf>
- **R2011-5** Comments of Alliance of Nonprofit Mailers (May 2, 2011)  
[http://www.prc.gov/docs/72/72650/11-05-02\\_ANM\\_comments.pdf](http://www.prc.gov/docs/72/72650/11-05-02_ANM_comments.pdf)
- Monthly Progress Report on Full-Service Intelligent Mail Participation and Compliance by Bulk First-Class Mail and Standard Mail Customers [http://www.prc.gov/docs/72/72649/2011-04-29\\_FSIM\\_progress\\_report.pdf](http://www.prc.gov/docs/72/72649/2011-04-29_FSIM_progress_report.pdf)
- **R2011-5** Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Comments on the United States Postal Service Notice of Market-Dominant Price Adjustment  
[http://www.prc.gov/docs/72/72644/Valpak\\_R2011-5\\_comments.pdf](http://www.prc.gov/docs/72/72644/Valpak_R2011-5_comments.pdf)

*May 2, 2011*

 [Business News Daily](#): The United States Postal Service's (USPS) latest rate increase for mailing packages, which took effect last month, is putting price pressure on business owners, especially those who rely exclusively on shipping as a form of product delivery.

 [PRNewswire](#): Major mailers can now reduce undeliverable mail volumes and related print and postage costs, and stay better connected to their customers, thanks to a new Returned Mail Processing service through DST Output and its affiliate DST Mailing Services.





*The U.S. Postal Service Office of Inspector General invites you to comment on*





*this week's "Pushing the Envelope" blog topic:*


- **Should the U.S. Postal Service Use The Internet To Meet Its Service Obligations?** The National Wireless Initiative was recently introduced as a financial incentive to private industry to expand wireless broadband infrastructure across the United States. Could the Postal Service leverage this network to connect every physical address with a secure e-mail address? Tell us what you think at <http://blog.uspsojg.gov>.


 **Courier, Express, and Postal Observer:** A recent story in the Asbury Park Press illustrates how Standard Mail service standards may discourage advertisers from using the mail. Monmouth County had a school election on Wednesday April 27. As is the practice, the county mails out sample ballots prior to voters prior to the election. The ballots were tendered to the Postal Service late on Tuesday April 19th and the clock formally started on April 20th. As of the day before election day, "trays of ballots were still sitting at the Eatontown processing center for most voters in Freehold Township and Manalapan and pockets of voters in Eatontown, Middletown, Tinton Falls and Spring Lake." The problem that Monmouth County had is the same problem that small and occasional advertising mailers have. They assume that the service commitment is better than it really is because mail sent in the past meets commitments at the quickest end of the service window. They generally have no clue that Standard mail has a broad service commitment window.

 **Postal Technology International:** Sri Lanka's state-run postal service lost LKR3 billion (US\$26 million) in 2010, up 22 percent from 2009, while revenues fell by 6.8 percent to LKR4.3 billion (US\$41 million) partly due to falling letter mail. Data released by the Central Bank shows that expenses rose 3.1 percent to LKR7.3 billion (US\$67 million) in 2010. Revenues fell despite efforts to get into banking services and sell pre-paid phone cards. Letters per inhabitant fell to 17 in 2010 from 21 in 2009, according to data released by the Central Bank. Sri Lanka's telecom use has been rising in recent years, and in 2010 the number of telephones exceeded the population.


 **Post & Parcel:** The French state postal company said the new wholly-owned subsidiary would be chaired by Stéphane Sentis and directed by chief executive Vanessa Chocteau. The unit will provide consulting services for fleet operators and suppliers, based on La Poste's experience operating one of the largest fleets in Europe.

 **Hellmail:** Despite recent price increases, the cost of posting a standard domestic letter in the UK is one of the lowest in Europe and below average according to a recent report by DHL Deutsche Post. The highest charges for a European letter for 2011 are those levied by Portugal, followed by Norway, Denmark, Sweden and Belgium. Malta continues to have the cheapest postage for a European letter, followed by Romania, Cyprus, Estonia and Spain. The clearest improvement was in Finland which, as the only country with a price decrease, improved its standing by six places and is now in the lower mid-range - also the case for Germany which improved its standing by two places and whose European letter is €0.11 under the European average price. The UK was 0.07 under the average European price.

 **The Sentinel:** Postal workers marched through the streets as they stepped up their campaign to safeguard jobs at a Royal Mail call centre. See also [The Guardian](#) and the [Wall Street Journal](#).

 **Takeover Chatter:** NT reported on Monday a worse than expected performance in its mail unit, adding to woes in its global express division, in what are set to be its last earnings before it splits the units into two companies. TNT shares hit a 20-month low and were down 5.6 percent to 15.69 euros by 0725 GMT, the worst performers on Amsterdam's bluechip index .AEX, after the Dutch company's postal unit missed first-quarter underlying operating profit estimates, disappointing investors who already fretted about express.

**May 1, 2011**


 **Stuff:** Freightways and New Zealand Post are understood to be planning competing services that would let people get their bank statements and power bills delivered to an online mail box. NZ Post is trialling a service called Zumbox, which could let its large customers such as banks, government departments and power utilities send digital


letters, bills and statements. Postal operators are looking to digital channels to claw back revenue losses from declining mail volumes.



***From the National Postal Forum:***

- USPS in the IMb Technical session just said that in the next price change it will no longer charge for Confirm for Full-Service IMb users.

 [Staten Island Advance](#): When the financially embattled U.S. Postal Service announced plans in 2009 to consolidate its operations so that virtually all mail originating on or destined for Staten Island was processed in Brooklyn, many spotted it as a sign of things to come. Many questioned the Postal Service's reasoning, and with good reason. Shipping all outgoing mail, including mail sent from one Staten Island address to another, to Brooklyn for processing, regardless of its destination, never made sense.

 [Direct Marketing News](#): The financially struggling US Postal Service distributed its first round of "Sample Showcase" mailings last month, helping marketers reach a target audience of mothers in Austin, Texas, Chicago and Denver. Brand marketers reacted positively to the program's initial results. Established consumer-packaged goods companies, including Secret and Starbucks, as well as lesser-known ones participated in the program. Smaller companies say placement in the same box with name brands works to their advantage.