





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 June 2010:

June 30, 2010

 [Multichannel Merchant](#) has reported that "Gene Del Polito, the president of the Association for Postal Commerce, says Congress now has more than enough information from enough authoritative sources to definitively show that the CSRS has been "wildly overfunded. The ball is in Congress' court. This is a travesty, and requires immediate attention." OPM, which is responsible for calculating the Postal Service's CSRS pension liability, must now by law reconsider its calculation of the Postal Service's pension assets in light of this report, and submit the results of its reconsideration to the PRC, USPS, and Congress. What's more, the PRC suggests that Congress may wish to alter the schedule established in the Postal Accountability and Enhancement Act (PAEA) for potential transfers from the Postal Service Retirement Fund to its Retiree Health Benefit Fund. Currently, such transfers may not take place before Sept. 30, 2015. "We've overpaid money that is already there in federal coffers," Del Polito says. "Congress just needs to make a bookkeeping adjustment."

 According to the [Big Fat Marketing Blog](#), "During Bernstock's run at the USPS, the federal agency lost billions of dollars and saw mail volume drop off the side of a cliff, and there remains a strong push to end Saturday mail delivery to help the USPS save money. It's comforting to know that during that time Bernstock was only concerned about making money for himself."

 The [Wall Street Journal](#) has reported on "The Business Case for Reforming Japan Post -- A well-executed privatization could boost stocks and help kick deflation."


 [Business Week](#) has reported that "New York's Lincoln Medical and Mental Health Center is notifying patients that their personal information may have been compromised after seven CDs full of unencrypted data were FedExed by a hospital contractor and then lost in transit."


 According to one writer for [USNews](#), "Public Sector Unions Must See Beyond Their Own Interests to Survive."





At the Postal Regulatory Commission: The [Postal Regulatory Commission](#) today submitted to Congress, the Office of Personnel Management (OPM) and the United States Postal Service, an independent actuarial report on the allocation of the Civil Service Retirement System (CSRS) benefits paid to former Post Office Department employees. The Postal Service asked for an independent review of current allocations. **The Commission report finds that an adjustment of \$50-\$55 billion in favor of the Postal Service would be equitable.** [EdNote: Great! Now that the Commission has virtually confirmed the earlier work done by the USPS OIG, it also should be able to

*find that with a simple Congressional adjustment, there should be NO justification for any exigency rate increases.]
[The full report is on the PRC web site.](#)*


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


 Drumbeat in the Netherlands: TNT announced to lay off all full time delivery workers and sorters.


 Online service pingen.com, a new competitor for Swiss Post, started operations in the middle of May. Whoever doesn't have an envelope or a stamp to hand and doesn't want to go to the postbox, may send letters directly from the computer. Anyone who is registered with pingen.com pays 1.40 Swiss francs, some 40 rappen more than with Swiss Post. Pingen.com's customers can also send legally signed letters via email in Switzerland. The electronic identity service SuisseID (CEP-News 16/10) is required for this special service.


 Related to the restructuring of Posten Norge (CEP-News 15/10) the corporate brands have been reorganised too.


Last week the Norwegian company announced that mail and parcel services for private customers - therefore the universal services - will be offered under the brand name Posten.


 In July, French La Poste will introduce So Colissimo, a system for more customer flexibility in parcel delivery. The service will be offered at start by three selected online-shopping portals. Customers may choose where they want to receive their parcels directly following the purchase. They can choose between delivery to their home address, a parcel terminal ('Cityssimo'), one of more than 10,000 post offices or to a retailer who has registered as a partner.


 The European distribution network Eurodis strengthened its position through the entry of two new shareholders from France and Great Britain. On Monday the company, which's shares are predominantly held by Austrian Post's subsidiary trans-o-flex announced that 'Sernam joined Eurodis's network for France and UK Mail for the UK and Ireland'.

 Hamburg based mail order giant Otto is obviously considering a re-entry into the sale of groceries via the internet.

 The conversion into a public limited company is the top priority for Swiss Post's new CEO Jürg Bucher. In comparison with this, keeping a monopoly on letter mail is not crucial. 'Swiss Post can exist with or without a residual monopoly', said Bucher to news agency.

 Swiss DHL will take over the delivery of incoming parcels from Germany in Switzerland by itself.

 TNT Post suffered a setback in the legal dispute about Deutsche Post's subsidiary First Mail. The Higher Regional Court in Düsseldorf confirmed upon request of CEP-News that it rejected TNT's complaint against First Mail. Within the scope of the competition complaint, TNT accused Deutsche Post to establish with its subsidiary First Mail a second mail network with cheap labour to eliminate competition.

 DHL will continue to invest in domestic express networks.




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


 The [Korea Herald](#) has reported that:


- [Korea Post](#), the state-run postal service agency, will expand financial services to mid- and low-income customers, as part of efforts to support the underprivileged and maintain its status as profit-seeking public


firm. Namgung Min, president of Korea Post, told reporters on Wednesday that the agency will begin fund sales and issue credit cards soon after consulting with related ministries and financial regulators. Korea Post needs to get licenses to operate both financial businesses as a card issuer and fund sales agents.


- [The country's main postal service provider](#) aims to transform itself into a leading player in the Asia-Pacific region in the next 10 years harnessing the nation's cutting edge information technologies. The Korea Post said also said it seeks to expand its businesses to logistics, finance and social infrastructure.

 [This Day](#) has reported that "A Ghana-based Nigerian Ademola Adegoke has been arrested by United States security operatives in connection with a multimillion-dollar West African crime enterprise. The Nigerian who was brought to US from Ghana on Monday, was alleged to be involved in a worldwide scheme that allegedly defrauded US and Canadian citizens, travel agencies of an estimated \$2 million. A statement from the US Bureau of Diplomatic Security Services said other agencies and countries that assisted in the investigation include the Royal Canadian Mounted Police, the United Kingdom's Serious Organised Crime Agency, the US Department of Education Inspector General's Office, US Citizenship and Immigration Services, Department of the Treasury's Financial Crimes Enforcement Network, Amtrak Police Department, **US Postal Inspection Service**, the Columbus, Ohio Police Department, and the Alexandria, Virginia Police Department. The statement, which noted that Ghanaian authorities had confirmed that Adegoke is a Nigerian citizen, said the suspect managed the crime ring from Ghana, and had been indicted on multiple federal counts of wire fraud, identity theft, access device fraud, and conspiracy in the Eastern District of Virginia. "The Government of Ghana expelled Adegoke to the United States. He was flown to New York today (Monday) and will be prosecuted in the Eastern District of Virginia," the statement said, adding, "if the suspect is convicted, the US government could potentially seize several international bank accounts and the nearly \$700,000 they contain."

 The [Daily Independent](#) has reported that "The privatisation of the Nigerian Postal Service, among others like Nigerian Telecommunications Limited, by the Federal Government may suffer a major set back soon, unless the crisis in the top management of the Bureau of Public Enterprises (BPE) is resolved very soon. The process of privatising NIPOST the federal postal agency in the country, just like others, is billed to have reached an advanced stage by now, but for the crisis resulting from the none replacement of directors retired at the BPE by the Presidency."


 [Go Jamaica](#) has reported that "Nearly 1,000 workers could lose their jobs at the Postal Corporation of Jamaica and the Post and Telecommunications Department when proposed legislation is effected to establish a statutory body to replace the existing loss-making entity. Postmaster General Michael Gentles told a meeting of Parliament's Public Accounts Committee today that a new leaner organisation will provide jobs for only 1,400 of the current 2,300 persons now employed by the government body. Taxpayers have had to be subsidising the Postal Corporation at a cost of \$1billion annually. With increased rates for postal services taking effect in March, revenues have jumped by about 50 per cent, but according to Gentles, projected losses for the entity are approximately \$500 million. He said capital injection of some \$350 million is needed to carry out repairs to offices to acquire equipment. Insisting that there is an urgent need to revamp the current postal services, the postmaster general described the current operations as archaic, pointing out that it could not compete effectively with other players who provided similar services."


 The [Charleston Daily Mail](#) has reported that "The U.S. Postal Service is weighing whether to move a significant portion of its Huntington operations to Charleston. The Postal Service has just begun a feasibility study of the potential costs and benefits of moving much of the maintenance, processing and delivery functions from the distribution center in Huntington to the one in Charleston. Postal Service spokeswoman Cathy Yarosky said the study is still in its infancy and could take several months to complete.


 According to [The Examiner](#), "In response to plans of the U.S. Postal Service to reduce weekly delivery to 5-days, union members of the American Postal Workers Union (APWU) and National Association of Letter Carriers (NALC) and their community supporters will be holding informational pickets outside local post offices. On July 1, 2010, postal workers and letter carriers will be outside the Medford Main Post Office, Central Point Post Office and Ashland Post Office between the hours of 11 a.m. and 1 p.m. to picket in opposition to USPS plans to eliminate Saturday mail delivery."


At the Postal Regulatory Commission:


- [Docket No. N2010-1](#), Six-Day to Five-Day Street Delivery and Related Service Changes. "The schedule for the appearance of witnesses for the Postal Service's direct case is set forth."
- [Docket No. RM2010-11](#), "Semi-Permanent Exceptions from Periodic Reporting of Service Performance Measurement " "The Postal Service seeks semi-permanent exceptions for Standard Mail High Density, Saturation, and Carrier Route Parcels, Inbound International Surface Parcel Post (at UPU Rates), hard-copy Address Correction Service, various Special Services, Within County Periodicals, and various negotiated service agreements. The Commission establishes Docket No. RM2010-11 for consideration of matters related to the proposed semi-permanent exceptions from periodic reporting of service performance measurement identified in the Postal Service's Request."

 More on the Bernstock story from [Steve Losey at the Federal Times](#): "The scandal involving former U.S. Postal Service executive Robert Bernstock has yielded what appear to be some big changes to the rules governing sole-source contracts. First, most postal executives will no longer be able to approve their own department's sole-source contracts worth more than \$1 million. From now on, seven-figure deals awarded noncompetitively must be approved by Vice President for Supply Management Susan Brownell. **Bernstock also seems to have been viewed by some at postal headquarters as untouchable.** On page 28 of the report, one unnamed official said "**Bernstock is seen as the savior of the Postal Service to fix retail,**" and said he understood that Postmaster General John Potter approved Bernstock's contracting deals. Even Treasurer Robert Pederson, who had to straighten out the mess of the Goldman Sachs contract — Bernstock first entered into an improper agreement with Goldman Sachs in October 2008, and the company started getting paid for work before a formal contract was signed — didn't feel comfortable enough to speak up. According to the OIG, "When asked why [Pederson] did not question or escalate his concerns that they failed to follow the process, he said, 'I don't think I had the political capital to tell Bernstock he should come to me first.' "


 According to [KZTV](#), "The U.S. Postal Service is preparing for the arrival of Tropical Storm Alex by advising customers that normal service operations in the path of the storm may be affected in the event of unsafe conditions such as high winds, flooding, or impassable roads. Regular postal operations are expected to be in effect for today, Tuesday, June 29, and possibly Wednesday, June 30 . Depending on local conditions, some post offices may temporarily close their lobbies as Alex makes landfall."


 [Radio Netherlands](#) has reported that "Piecemeal, wages below the legal minimum; the privatised European postal market is gripped by fierce competition. As a result, thousands of Dutch postmen will lose their jobs. The former state-owned postal company TNT says it has no other options in the face of fierce competition and decreasing numbers of letters and packages. However, critics say the Netherlands has moved much too fast in its enthusiasm to privatise the postal market. The reorganisation had been announced earlier, but it was only at the weekend that postmen received the concrete plans in their letterboxes. All postmen with contracts for more than 25 hours a week will lose their jobs. And forced dismissals are not being ruled out."


 [Press Release](#): "The UPS Store can ease air travelers' burdens this summer with three luggage shipping alternatives, including a new luggage box that takes the place of a suitcase, to help reduce hassles of long lines, security searches and increasing baggage fees."


 The [Daily Mail](#) has reported that "Postmen are to be given stakes in Royal Mail under radical Government plans to sell it off this year. Ministers plan to transform the ailing firm into a John Lewis-style trust, like the department store whose employees are 'partners', owning shares and receiving annual dividends based on its profits. The offer will dramatically undermine attempts by militant trade union leaders to persuade staff to oppose the privatisation, which is expected to be the biggest in Britain for two decades. Giving employees a financial incentive should also improve Royal Mail's performance, the Government believes. Ministers are considering a full-scale-sell-off amid increasing concern about the firm's future."


June 29, 2010


 [Logistics Manager](#) has reported that "DHL is looking for innovative logistics ideas and is offering a prize of 5,000 euros for the winner in its 2010 Innovation Award scheme."

 From [Business Wire](#): "Newgistics, Inc., a leading provider of small parcel delivery and returns management solutions, today announced service enhancements to its SmartLabel Intelligent Returns Management™ solution in the new release of the Ecometry Direct Commerce Suite from Escalate Retail. Continuing to build on a nearly eight-year partnership with Escalate, Newgistics' announcement of its tiered pricing capabilities within Ecometry extends the value that each company delivers to its mutual customers."

 The [Federal Times](#) has reported that "The U.S. Postal Service's former top marketing executive repeatedly used government staff — and at least two business associates he hired with sole-source contracts — to manage his personal finances and outside business interests, according to a new report. The report, released today, said his use of Postal Service employees and property to conduct personal business was improper. The report also raises questions about Postal Service general counsel Mary Anne Gibbons' apparent failure to report Bernstock's improper use of postal staff. The report said that Postal Service rules require any violations of postal law be immediately reported to the OIG, but Gibbons did not do so." The [OIG report](#) has been posted on this site.

 A federal judge in Indiana [has granted FedEx Corp.'s motion to dismiss](#) some claims in the nationwide class-action case brought against the company by delivery drivers who contend they were improperly classified as contractors instead of employees. But the ruling by Judge Robert L. Miller Jr. could be only a temporary victory for FedEx. It leaves the drivers the option to refile their claims under the Employee Retirement Income Security Act, or ERISA, once they have "exhausted their available administrative remedies" through the company. "In a word, this is a procedural ruling, not a substantive ruling," said Lynn Faris, one of three co-lead lawyers in the class-action case, which involves about 27,000 former and current drivers. "What it means is we have to jump through a few more hoops before we can reach the substantive issue."

 The International Mailers Advisory Group has informed its members that "Canada Post published proposed postage rate changes for US and international products in the June 26 Canada Gazette. You may access this information via the following link (the CPC proposals start with a Table of Contents on p. 1749): <http://canadagazette.gc.ca/rp-pr/p1/2010/2010-06-26/pdf/g1-14426.pdf>.

 **DMM Advisory: IMb™ Services Update. UPDATED PostalOne! 24.1.0 Release Notes** were deployed on June 28, 2010 and are available in the [Updated Release Notes](#) on [RIBBS®>Intelligent Mail® Services>Latest News](#). The key features of this release are:

- Mail.dat® validations were made
- Full-Service discount will now be adjusted for spoilage
- Improvements to the Mail Data Quality Reports

PostalOne! Release 25.0.0 will deploy on November 7, 2010. Updated *PostalOne!*® 25.0.0 Release Notes are available in the [Updated Release Notes](#) on [RIBBS>Intelligent Mail Services>Latest News](#). The key features of this release are:

- Deploy a process for verifying Intelligent Mail® Full-Service electronic documentation.
- Mail Data Quality Reports will be enhanced to assist mailers in reconciling issues resulting in assessments.
- Fees will be charged by Full-Service ACS™ Billing for ACS® records when the same record was provided more than 60 days prior for Full-Service Periodicals and more than 95 days prior for Full-Service Standard Mail® and Bound Printed Matter.
- Full-Service ACS Billing will also charge for records delivered when Full-Service Service Type Identifiers are in the barcodes but they do not match the eDoc. In this case, the fees are chargeable for all classes of mail.
- Postal Wizard will be enhanced to allow entry of all parts of the International Mail postage statements.

Guides and Specifications Updates: To support the current release through *PostalOne!* Release 25.0.0 on November 7, 2010, the following guides are updated and available for review at [RIBBS>Intelligent Mail Services>Guides & Specs](#) under Important Links:

- [A Guide to Intelligent Mail for Letters and Flats](#)
- [Postal Service Mail.dat Technical Specification](#)
- [Postal Service Mail.XML[®] Technical Specification for Postage Payment & Reporting \(eDoc\)](#)
- [Postal Service Mail.XML Technical Specification for Appointment Scheduling \(FAST[®]\)](#)
- [Postal Service Mail.XML Technical Specification for Profiles & Full-Service Feedback](#)
- [Test Environment for Mailers \(TEM\) Checklist & Troubleshooting](#)

Guide to Facility Access and Shipment Tracking (FAST) Appointment Container Association: To assist mailers with associating FAST appointment and container information, the [Guide to Facility Access and Shipment Tracking \(FAST\) Appointment Container Association](#) is posted on RIBBS and the [FAST website](#). Mailers can monitor their compliance with FAST appointment container associations by accessing the Full-Service Mail Data Quality Reports available via the Business Customer Gateway. Information on how to access the Full-Service Mail Data Quality Reports can be found in the [User Access to Electronic Mailing Information and Reports Guide, Volume II: Access to Electronic Mail Reports](#) available at [RIBBS>Intelligent Mail Services>Guides & Specs>Important Links](#). Any questions should be directed to the FAST Help Desk (FAST@usps.gov).

Mail Data Quality Reports Outage (July 18, 2010): Mail Data Quality Reports will be unavailable on Sunday, July 18, 2010, from 4:00 am - Noon CDT due to a system upgrade. There will be no additional outage/impact to the *PostalOne!* system.



[Stock Markets Review](#) has reported that "Monday, United Parcel Service Inc. (UPS) announced various appointments in its new and expanded districts. Earlier, the company had announced that it was going to reduce the number of U.S. Districts from 46 to 20." [*EdNote: And the Postal Service with its "more than it needs" district structure? What about the Postal Service? Well...it's still sittin' around just whistlin' Dixie. Besides, why worry? It is about to ask to have its customers to pay.*]



[FreeMalaysiaToday](#) has reported that "The Public Accounts Committee (PAC) today hauled up Pos Malaysia Bhd chief executive officer and chairman Syed Faisal Albar for the first day of its inquiry into the postal monopoly's recent financial losses. The committee is also questioning Mohammad Zainal Shaari, chief executive officer of government investment arm Khazanah Nasional Bhd, which has a stake in Pos Malaysia." See also the [Malaysian Insider](#).



[WGRZ](#) has reported that "The Postal Regulatory Commission came to Buffalo Monday to discuss a proposal that could possibly result in the end of regular Saturday mail delivery. The hearing attracted about 100 people to Common Council Chambers of Buffalo City Hall."




The [BBC](#) has reported that "Members of the public are being asked for their views on proposed changes to Jersey's postal service. There could be fewer deliveries and collections from the States-owned Jersey Post under the plans, as the government tries to save money. A document asking for the public's views is being sent to all homes on the island. Up to 80 jobs at Jersey Post will be lost over the next four years under restructuring plans."




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


- [TNT rumoured to be selling mail stake](#)
- [KEBA succeeds with Turkish Post](#)
- [Prime Vision exceeds target read rate](#)
- [Norway Post creates new divisions](#)


 According to [Rogue Valley IMC](#), "On July 1st, postal workers and letter carriers are converging on several southern Oregon post offices to rally against United States Postal Service efforts to reduce postal services by eliminating Saturday mail delivery."

 [Hellmail](#) has posted:


- [Royal Mail Mid-2010 Review of Financials and Modernisation - Part 3](#).
- [TNT](#) it seems, has delivered a rather pragmatic, if not shocking approach to a declining letters market by deciding to savage its head count and possibly even drop deliveries to a mere three days a week.
- [TNT To Make All Full Time Delivery Workers Redundant](#)
- [100 Percent Delivery Rate With Postcode Anywhere](#)
- [Swiss Post To Expand Availability Of IncaMail](#)


 [Punch](#) has reported that "Hundreds of pensioners of the Nigerian Postal Service, Ogun Territory, grounded activities of the organisation in the state on Monday while protesting the inability of the management of NIPOST to pay their retirement entitlements 49 months after they were sacked."

 The [Postal Employee Network](#) has noted that "According to reports released by the Department of Labor it remains a fact that working for USPS may not be good for your health – or at least your body. Federal injury and illness statistics for the second quarter of fiscal year 2010 indicate the following: [case amounts are for the second quarter of 2010] Total Federal Injury/Illness Cases: 53,025 Total USPS Injury/Illness Cases: 21,424 Total Injury/Illness Cases For Non-Postal Federal Employees: 31,601 The above case numbers mean that over 40% of all injuries and illnesses reported to the federal government for the second quarter of fiscal year 2010 are attributable employees of the United States Postal Service."


 The [Wall Street Journal](#) has reported that "During the recession in the early 2000s, U.S. freight railroads slashed spending and services. When business revived, they were roundly criticized for bottlenecks and delays. This time around, the railroads have continued to spend heavily, plowing more than \$20 billion into capital improvements to widen tracks and tunnels, upgrade cars and engines and enhance their technology. FedEx Corp., which moves roughly 45% of its packages by air and 55% by ground, says it expects to use railroads more for ground shipping because of the railroads' improved reliability. Currently, FedEx uses rail for only about 1% of ground shipments. And United Parcel Service Inc. says it will continue to use rail as much as possible. "Any ground-service package that's going to move 750 miles or more we attempt to put on the rails" as long as the rails can meet service times, says UPS spokesman Norman Black."

June 28, 2010

 **At the Postal Regulatory Commission:** ["Overview of the Review of the Postal Regulatory Commission's Public Representative System June 2010"](#) "The review revealed that the current system of delegating this important responsibility among Commission staff is effective and enjoys broad support. A view often reported by PRs is that the individual case dictates how the interest of the public is defined, and that PRs can determine their approach based on their own assessment of the case. For PRs who adhered to a definition, that definition ranged from: the interests of individual or citizen mailers (sometimes called "Aunt Minnie," a reference to the definition held by the former OCA), to citizen mailers plus unrepresented parties (which could include industry), to the general interest of the United States ("what is good for the country"). It was commented that it was unclear whether the interest of the public includes small businesses and maybe larger businesses that are not aware of the docket. Some PRs suggested that it would be helpful to define "interest of the public" in a uniform manner, even if that definition directs that the PR should make his or her own assessment on a case-by-case basis. PRs resoundingly reported that they work independently and are not the subject of Commission interference. They commented that the Commission was "hands off" and that there is a high degree of ethics about fulfilling the role."

 [Politico](#) has noted that "A brutal labor law battle between UPS and FedEx could be headed for a showdown this week as Congress faces a deadline to make a move in the bitter, long-running dispute. The two shipping giants have been engaged in a down-and-dirty lobbying campaign over a proposal that would make it easier for labor to organize

FedEx. Memphis-based FedEx has spent millions of dollars, and its chief executive has even threatened to cancel an order of new Boeing planes if the proposal passes. UPS has been quieter about its lobbying but is getting support from the Teamsters, who represent many of its employees."

 In what could be the best game of Monopoly™ ever, Postmaster General John Potter may have just drawn a card that reads "Inspector General finds error in your favor. Collect \$75 billion dollars." The Inspector General for USPS took a closer look at the Civil Service Retirement System and found massive overpayments dating back decades. Michael Thompson, Director of Capital Investments for the Postal Service Office of Inspector General, explained for [Federal News Radio](#), "the Postal Service, since 1972, has overfunded by \$75 billion its share of civil service retirement and the reason for that is because the methodology that's used is not comparable to the methodologies that's used for all the other federal retirement funds."



The U.S. Postal Service Office of Inspector General invites you to comment on the following:

This week's "Pushing the Envelope" blog topic:


- **Stamp Vending Machines.** Remember when you could go to the Post Office and purchase a single stamp from a stamp vending machine? Although Automated Postal Centers (APCs) provide many services including the sale of stamps, they are only available in booklets or denominations of \$1 or more from the APCs. These machines also require credit cards, which puts customers who only want to buy one First-Class Mail stamp at a disadvantage. So, do you think stamp vending machines should be brought back? [Link to the blog.](#)


New Audit Projects opened: (Please share any information you may have that would help with these audits currently in progress by clicking on the links below):


- **10YG029DA000 - Capital Area Facility Excess.** Our objective is to identify opportunities for the Postal Service to optimize existing real estate in the Capital Metro Area to provide services more efficiently and with fewer resources. Specifically, we will identify possible locations for optimization opportunities and calculate the monetary savings for the optimization opportunities. [Link to this audit project.](#)
- **10XG044DR000 - Delivery Efficiency Review - Atlanta District.** Our objective is to assess the overall efficiency of city delivery operations and identify opportunities to reduce operating cost within the Atlanta District. [Link to this audit project.](#)
- **10YG030DA000 - Eastern Area Facility Excess.** Our objective is to identify opportunities for the Postal Service to optimize existing real estate in the Eastern Area to provide services more efficiently and with fewer resources. [Link to this audit project.](#)
- **10XG006DR001 - Flats Sequence System Operational Issues - Columbus District.** Our objective is to evaluate the Flats Sequence System (FSS) operations in selected Columbus District delivery units. [Link to this audit project.](#)
- **10XG006DR002 - Flats Sequence System Operational Issues - Mid-America District.** Our objective is to evaluate the Flats Sequence System (FSS) operations in selected Mid-America District delivery units. [Link to this audit project.](#)
- **10RG008CRR000 - Periodicals Data Quality.** Our survey objectives are to obtain background information and identify potential audit issues regarding the Postal Service's Periodicals product with specific emphasis on the quality of the data used to allocate Periodicals cost and to determine whether those costs are reliable. [Link to this audit project.](#)


- **10YG028DA000 - Southwest Area Facility Excess.** Our objective is to identify opportunities for the Postal Service to optimize existing real estate in the Southwest Area to provide services more efficiently and with fewer resources. Specifically, we will identify possible locations for optimization opportunities in the Southwest Area, Houston, and Oklahoma districts and then calculate the monetary savings potential from optimization. [Link to this audit project.](#)
- **10XG004DR000 - Vehicle Parts Inventory Management.** Our objective is to evaluate the effectiveness of the Postal Service's vehicle parts program. Specifically we will determine whether: A. The process for purchasing vehicle parts could be improved. B Controls are effective for safeguarding vehicle parts assets. [Link to this audit project.](#)


Comments and suggestions on other ongoing audit projects can be made by visiting the Audit Project site at http://www.uspsoig.gov/audit_project.cfm.


 The [Washington Post](#) has reported that "Timothy C. Haney, former manager of a U.S. Postal Service facility in the District where two workers died during the 2001 anthrax attacks, will become head of mail operations for the national capital region. Potter also named Jordan M. Small to succeed Haney in the northeast, David E. Williams to oversee the mail agency's network operations and Kelly M. Sigmon to manage engineering." [See also the Postmaster General's announcement.](#)


 The upcoming [NAMMU Toronto Chapter](#) meeting will promote knowledge and dialogue on two topics introduced at earlier sessions, and still very much of interest. The Keynote by Michael J. Fox, Senior Vice-President, Circulation & Development, Rogers Publishing, provides a Publications Mail Analysis, and a magazine executive's perspective on Canada Post's financial results. The new Canada Periodical Fund (CPF) discussed by Doug Bennet, Publisher, Masthead, in January's meeting, set the stage for this next industry discussion. Digital editions, alternative delivery – what else is on the Publishers' minds?


 From [PR.com](#): "SingPost, Singapore's designated Public Postal Office, which provides domestic and international postal services, recently appointed the Australia-based company, Shout! Web Strategy, as their new internet marketing consultant, for Singapore & Malaysia. Shout won the competitive tender to look after Singapore Post's internet marketing strategy in June, after demonstrating that they are able to easily handle large enterprise campaigns that focus on online shopping and international shipping."


 According to the [Courier, Express, and Postal Observer](#), "At the joint Senate-House hearing, the issue of funding the Postal Service's retiree health care obligation was raised by every witness. There is near unanimity among all non-governmental stakeholders on this issue which can be summarized in four bullet points. 1. The Postal Service cannot be a viable enterprise, maintain current service levels, pay wages at or near current levels, and price products at levels that allow mail to be a competitive mode for delivering advertising, other firms of business and personal communications and parcels as long as the retiree health obligations hang over its head. 2. The Postal Service's obligation has been overstated by the Office of Personnel Management. 3. The Postal Service has overpayment of its obligation for civil service pensions exceeds its obligation for retiree health benefits. Fixing this problem would eliminate most if not all of the Postal Service's annual obligation for retiree health benefits. 4. The only obstacle to fixing the problem is budget scoring and pay-go rules."


 [Advertising Age](#) told its readers to "Look at newspapers' share of digital advertising, the crowds checking out other kinds of news sites, or the prices that advertisers will pay for the competition. The conditions in digital media, essential to just about any future growth for newspapers, are getting worse for papers instead. Newspapers have to move more quickly if they're going to take advantage of the strengths they still possess. Right now newspapers reach more than a third of web users, for example, but their share of all digital advertising is much smaller than that -- and declining."

 [Uni Global Union](#) has reported that "APPU Executive Council meeting, which was held in Bali, Indonesia, on 21-25 June, approved proposed MOU between APPU and UNI-Apro in its session on 24. June. It was a historical decision, because APPU, an inter-governmental organization, adopted UNI's initiative and left Mr. Somchai, APPU Director, the right of signing on MOU at any convenient time up to the next APPU EC meeting in Mongolia. A long-term effort of UNI Apro Post and Logistics is rewarded on the day of 24. June. MOU will make UNI Apro closer to postal administrations and UNI Apro will have a chance to set up union in non-union existing countries."


 [International Freighting Weekly](#) has reported that "DHL Express is "quietly" going about growing its domestic Chinese volumes through its latest joint-venture. This month, Shanghai Quanyi Express and Beijing Sinotrans Express – both owned by DHL-Sinotrans, a JV between DHL and Sinotrans – launched Sinotrans-Apex to develop domestic express delivery business in China."


 As [AjaxWorld](#) has noted, "The Swiss Post's fancy lawyers looked at RPost's patents and told their client to throw in the towel - and so, without going to court, Swiss Post and its Swiss Post Solutions subsidiary have agreed to abandon the American registered e-mail market to RPost after RPost sued Swiss Post for infringing its patents and treading on its "Registered E-Mail" trademark."

 [WhatTheyThink](#) has reported that "Quad/Graphics, Inc. ("Quad/Graphics") and World Color Press Inc. ("Worldcolor") are pleased to announce that their respective shareholders have approved the previously-announced plan of arrangement, pursuant to which Quad/Graphics, Inc. will acquire Worldcolor. The approval of Quad/Graphics shareholders was obtained on June 24, 2010, while earlier today, at the special meeting of Worldcolor shareholders held in Toronto, Ontario, approximately 91.78% of the votes cast were voted in favor of the special resolution authorizing the arrangement."


 Check out: "[Print Delivers.](#)"

 [WBEN](#) has asked: "Should The Post Office Stamp Out Saturday Delivery?"


 [Dow Jones](#) has reported that "Dutch postal and express company TNT NV is facing new unrest amongst its postal workers, after outlining plans to complete the transformation of its mail delivery network. The unrest comes as **TNT is looking at options to better position its mail business for the future, which include a sale or public listing of whole or part of its operations.** Liberalization and digitalization of the postal market have caused mail volumes to decline and TNT has streamlined its operations in recent years to protect margins in a liberalized market. **This included plans to lay off about 11,000 employees,** despite an offer to workers last year to agree to a lower salary in return for job security. On Friday TNT sent its employees a letter saying people delivering mail who have a contract for more than 25 hours a week, or mail sorters with a contract for more than 15 hours a week will be made redundant and will receive a letter to that effect after the summer. The plans to shed 11,000 jobs were already known, but this is an "extremely vague" letter, said Paul Jekkers at postal union BVPP. He added that he would have preferred TNT to wait until it had reached an agreement on the reorganization plan with its unions and works council."


 [Transport Intelligence](#) has reported that "A new report published by the US House of Representatives' Subcommittee on National Security and Foreign Affairs has laid bare the corruption and racketeering which accompanies the physical distribution of goods to the US troops stationed in Afghanistan."

 [Transport Topics](#) has reported that "YRC Worldwide said Friday it has entered into an agreement to sell a portion of its YRC Logistics business to a private equity firm for \$37 million. Transition to new ownership under Austin Ventures is expected to be complete within the next 30 to 45 days, YRC said in a statement. YRC said the sale will form the basis for a new company specializing in international freight forwarding, customs brokerage, transportation management, truckload services and dedicated warehouse and fulfillment services in North America, Latin America, Europe and Asia."


 [FedEx Express](#) (FedEx), a subsidiary of FedEx Corp. and the world's largest express transportation companies, has been named the International Express Operator of the Year for the second


consecutive year at the 2010 World Air Cargo Awards, reaffirming FedEx leading position in the industry.

 The [Huntington Herald-Dispatch](#) has reported that "The U.S. Postal Service will conduct a feasibility study to determine whether some operations at its processing and distribution facility on Virginia Avenue should be moved to Charleston. Huntington City Council will weigh in on the issue during its meeting Monday evening with a resolution that opposes any move by the Postal Service." [EdNote: *Are the citizens of Huntington willing to shell out local tax dollars to keep a facility deemed unnecessary?*]


 [ProPrint](#) has reported that "Australia Post's decision to increase the basic postage rates as of today will "hasten the switch to other media channels" in direct mail, the industry has claimed. Basic postage rates have been increased by 5c today (28 June) despite outcries from the print community that it will affect productivity. "In an increasingly competitive market, all this will do is hasten the switch to other media channels," Australian Direct Marketing Association chief executive Rob Edwards told ProPrint."


June 27, 2010


 [The Local](#) has reported that "Company boss Frank Appel is hoping to convince politicians that Deutsche Post needs to raise its charges to compete with the private sector, even though the conditions for an increase have not been met. According to regulations, the company is only allowed to raise its fees when inflation is strong. But Appel told Berliner Zeitung newspaper that politicians should consider postal charges "more flexibly, and in line with actual market forces." A review of the current charges is scheduled for 2012. The cost of sending a standard letter has not been raised in Germany for 13 years, and was actually lowered to 55 cents in 2003. But Deutsche Post has already called for an annual inflation-adjusted re-assessment of postage charges."


 [Bloomberg](#) has reported that "Delta Air Lines Inc., FedEx Corp. and other carriers lost a court bid to block a new federal rule that makes it easier for unions to organize employees into collective bargaining units. U.S. District Judge Paul Friedman in Washington today upheld a change in union voting procedures that lets airline and railroad workers form bargaining units with approval from the majority casting ballots rather than a majority of potential members. The Air Transport Association, an industry trade group, claimed the shift was arbitrary and illegal. The rule is effective on July 1."

June 26, 2010


 The [Associated Press of Pakistan](#) has reported that "Pakistan Post has established a link between express mail, traces system and international postal system to facilitate the track and trace of international articles. An official of Postal Services ministry informed APP that the management also established counter automation of 100 general post offices including computerization for data digitization has been made."


 The [Kane County Chronicle](#) has reported that "U.S. Rep. Bill Foster, D-Batavia, is opposing a proposal to shift some mail processing operations from an Aurora distribution center to Bedford Park because he is concerned about the potential loss of 40 jobs."


 [Reuters](#) has reported that "Dutch mail company TNT NV said on Saturday all full-time postal deliverers will lose their jobs in sweeping restructuring plans as TNT battles to cope with falling mail volumes and market liberalisation. Europe's second-largest mail and delivery company earlier said it was targeting 6,500 to 11,000 job cuts as part of its annual masterplan savings target of 395 million euros from 2015 and agreed a deal about the plan with trade unions in January. It was not previously clear how the restructuring would take shape, but TNT spokesman Ernst Moeksis said on Saturday the company gave a letter to staff on Friday informing them of the shake-up plans, which would involve thousands of job cuts." See also [Dutch News](#).

 [Sky News](#) has reported that "The trustees of Royal Mail's retirement fund will meet next week to agree plans to tackle the company's pension deficit, which now stands at about £10.25bn. The trustees, chaired by Jane Newell, will meet on Wednesday to approve a long-term funding settlement for the scheme. The Pensions Regulator, which has given the company until June 30 to agree a deal with the trustees, may grant an extension if an agreement isn't


reached by Wednesday's deadline. The new funding arrangements will involve Royal Mail continuing to inject about £800m into the scheme annually (around £300m of which is aimed at addressing its historic liabilities) but that the agreement to cover the deficit will be over a longer period than the current 17-year plan. That is designed to provide a greater degree of certainty to the regulator and the trustees, and avoids the possibility of crippling the company by forcing it to pay more money into the scheme at a time when it urgently needs capital to finance its modernisation."

 The [Sydney Morning Herald](#) has reported that "the treatment of injured Australia Post workers was plagued by confusion over the rules about company-appointed doctors, and a breakdown in communication between management and the union, a Senate inquiry has found. For more than a decade Australia Post management and the Communications, Electrical and Plumbing Union had been locked in battle over the corporation's policy of requiring sick or injured workers to be examined by a doctor nominated by the corporation when determining whether or not they are fit to work. The union has accused Australia Post managers of using this system to force staff back to work before they were fully recovered, in order to secure salary bonuses based on keeping the amount of time lost to injury to a minimum."

 [Mad.co.uk](#) has reported that "The Royal Mail is launching an online tool to help direct marketers improve the targeting of their unaddressed mail campaigns. The move follows concerns from consumer groups that the recent scrapping of the limits on the amount of unaddressed mail Royal Mail can deliver will lead to a surge in "junk" mail. The postal service claims the web-based Customer Finder service will help businesses "find and target new consumers or business clients more easily". It offers targeting, granular search and mapping tools."

 From [Marketwire](#): "As part of a five year pricing strategy announced in 2009, Canada Post wishes to remind Canadians that the domestic basic letter rate will increase by 2 cents, from 57 cents to 59 cents, for standard letters weighing up to 30 grams effective January 17, 2011. Proposed increases for USA and International letter rates will be published in Part I of the Canada Gazette on June 26, 2010."

June 25, 2010

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

At the Postal Regulatory Commission:

- [Docket No. RM2009-9: Accounting Practices and Tax Rules for Competitive Products. "Order Establishing Methodology For The Allocation Of Assets And Liabilities Of The Competitive Products Enterprise."](#)
- [USPS Preliminary Financial Information, May 2010](#)



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



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

- The Senate Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security and the House Subcommittee on Federal Workforce, Postal Service, and the District of Columbia held a joint hearing on the U.S. Postal Service (USPS) on Wednesday, June 23.
- According to the Courier, Express, and Postal Observer, "Many postal commentators have suggested that the Postal Service take a last mile strategy, focusing on the advantages that the delivery network offers shippers and advertisers for a low cost solution. What these commentators miss is that a last mile strategy

results in an enterprise that has little control over what it handles and little understanding as to what the mailer or shipper really needs for service.

- From Hellmail, a postal news site operated in the U.K. Annual decline in addressed mail volume continues to make for difficult and uncertain times for postal operators around the world.
- OIG Updates report of Audit. Comments from Witnesses at PRC Five-Day Hearing. The value of an oligopoly. Postal meter thieves caught. FedEx CEO promotes electric vehicles.
- An update on postal rules and notices published in the Federal Register.
- An update on USPS "DMM Advisory" updates.
- An update on business before the Postal Regulatory Commission.
- A review of postal news from around the world.
- Postal previews.

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




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


<h2>PostCom Flats Deflection Webinar</h2>
<p>Join us for a Webinar on June 30</p> <p>REGISTER NOW</p>
<p>Space is limited. Reserve your Webinar seat now at: https://www1.gotomeeting.com/register/805354937</p> <p>Please join Anita Pursley, Vice President Postal Affairs, Worldcolor Logistics and Pat Bayer, Director, Brown Logistics Services on Wednesday June 30th at 2:00pm Eastern to find out how the 'New Flats Deflection Requirements' will affect your mailing plans and postage budget." Find out what the requirements are and how to determine if you need to make changes to your mailpieces Date: Wednesday, June 30, 2010; Time: 2:00 PM - 3:00 PM EDT ; After registering you will receive a confirmation email containing information about joining the Webinar.</p>


[Publishing Executive](#) has reported that "Metadata's potential for becoming the currency driving the future of digital publishing was the theme of two presentations at last week's Magazine Publishers of America event, "Magazines: From Dimensional to Digital," held at the Metropolitan Pavilion in New York City. Peter Meirs , vice president of production technologies at Time Inc., and Dianne Kennedy, vice president of media technologies at IDEAlliance, spoke on the push for XML standardization across book and magazine publishing platforms. "Although it is a very pervasive technology, very few people really understand it," Meirs said of XML. "They understand it conceptually, but they do not understand it in practice." With the coming of a dizzying array of information delivery modes—e-readers, mobile platforms, tablets, content partnerships with device companies, new licensing models, social media, RSS, print/Web integration strategies—publishers need a technology that can encompass, and unify, a range of platforms, Meirs noted. "Of course," he said, "that technology is XML."


FedEx From [Business Wire](#): "As part of an ongoing national expansion, FedEx Ground, the small-package ground unit of FedEx Corp., (FDX 75.80, -0.16, -0.21%) , is building a package sorting and delivery station that would be the fifth major facility for the company in the Chicago area."


 [NPR](#) has reported that "The decision by the corporate owner of Newsweek to put the magazine up for sale has once more raised the question in journalism circles as to whether there's a role — or any future at all — for newsweekly magazines. "The idea of a magazine that looks at the week, wraps it up and puts a little forward spin on it, that's pretty much an anachronism," says Alan D. Mutter, a former newspaper editor and current consultant on digital media ventures. "People are consuming news left and right, and if you aim to be informed, it's pretty hard not to be." Yet over at the historic Time-Life Building, in offices looking out over Midtown Manhattan from the 23rd floor, editors putting out the nation's leading such magazine are much more sanguine about their fate.

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

 The [Postal Employees Network](#) has a story on "Local APWU Officers Guilty of Embezzlement."

 [AllAfrica.com](#) has reported that "The Ministry of Post and Telecommunication has described as "unfortunate", recent media reports that linked employees of the Expedited Mail Services (EMS) to mail thief at the Ministry."

 [Federal News Radio](#) has noted that "The Postal Service's employee unions are speaking out against a USPS proposal to cut Saturday service. They are asking to instead focus on the Postal Service's mandatory retiree health benefit prepayments, which cost USPS as much as \$5.8 billion a year, as an area to save money for the troubled agency. Congress passed and President Bush signed into law the Postal Accountability and Enhancement Act of 2006 that included this provision. USPS currently is the only agency with this prepayment mandate. Frederic Rolando, president of the National Association of Letter Carriers, says this burden is the "primary cause of the postal crisis."


 [The Telegraph](#) has published an "Exclusive: How to save Britain's postal service, by Richard Hooper"


 In a letter to the editor of the [Washington Post](#), Tom Kiley, a senior advisor at the Economic Policy Institute wrote:


The June 19 editorial "[Good news in the mail](#)" made the misguided argument that Congress should continue to require the U.S. Postal Service to pre-fund its retiree health benefits on an accelerated, arbitrary timetable -- a requirement imposed on no other government agency or private-sector company. The mandate imposes a heavy burden on the Postal Service: In 2008, before the agency received a one-year reprieve from Congress, retiree health benefits consumed roughly 10 percent of the Postal Service's revenue, a staggering amount.


The editorial blithely argued that the fact that the Postal Service "cannot afford such payments only reinforces the wisdom of the requirement." One should draw the opposite conclusion: This requirement is excessive and unreasonable, particularly during a severe economic downturn. The Postal Service's retiree health obligations are already 41 percent pre-funded, enough to cover all benefits through 2025; meanwhile, most companies do not pre-fund retiree health benefits at all. And the Postal Service continues to cover all of its retiree health obligations on a pay-as-you-go basis.

Why should the Postal Service be held to a different standard than are other employers when it meets its current retiree health obligations every year?


 According to the [Huffington Post](#), "A Sierra Club mailroom worker combing through the arriving mail at the group's San Francisco headquarters in April opened a package addressed to someone who had never worked for the environmental advocacy group. In it, the worker found \$11,000 in cash, and the Sierra Club called the San Francisco police immediately. A large, anonymous donation? Apparently not. Something about the package prompted authorities to launch an investigation, believing the money was part of a drug transaction gone awry. The sender of the package remains a mystery. There was no return address."


 [DM News](#) has reported that "The unprecedented nature of the US Postal Service's forthcoming "exigent" rate case is uniting the business mailing community in a way few other issues have. Mailing groups across a wide spectrum of the industry are forming a coalition to fight the Postal Service's first-ever exigent price increase. USPS is expected to file the exigent case with the Postal Regulatory Commission (PRC) on July 6. A postal spokesperson said USPS is not making any statements on the exigent case at this time. The coalition, which has not been named yet but some are informally calling the "Just say no coalition," will include a broad base of postal customers. Sources say that every association with some interest or connection to mail has been invited to join the coalition."

 [Air Cargo World](#) has reported that "Charlie Dobbie, executive vice president global network operations and IT for DHL Express, told a media briefing at the integrator's European air hub in Leipzig that there was no "management dogma" about pulling out of domestic markets. China was the reverse case, Dobbie said. "We were the first in through our joint venture with Sinotrans and we have retained this arrangement, while other companies came and went." Her accepted there was strong competition, but commented: "It's early days and we're going quietly. We want to build quality and develop a full network, seeing what's required. We see it as a premium-end market, not one where we will deliver anywhere at low cost."

 According to the [APWU](#), "Conservative Sen. Tom Coburn (R-OK) tried to pull a fast one at a joint hearing sponsored by Senate and House postal subcommittees on Wednesday. The hearing, titled "Having Their Say: Customer and Employee Views on the Future of the U.S. Postal Service," featured two panels, one composed of businesses that utilize the USPS extensively, the other composed of leaders of postal unions and management associations. Coburn, who authored the anti-labor amendment to a Senate bill (S. 1507) to require arbitrators to consider the financial health of the Postal Service when ruling on collective bargaining agreements, remarked that arbitrators are currently prohibited from considering USPS' economic circumstances."


June 24, 2010


 The [Associated Press](#) has reported that "Many French trains stood still, schoolchildren played instead of studied and *post offices were shuttered as workers nationwide went on strike* Thursday to protest President Nicolas Sarkozy's plans to raise the retirement age to 62."

 The [Epoch Times](#) has reported that "Saturday mail delivery may get cut, and postal workers throughout New York City aren't happy about it. Postal workers from the New York Metro Area Postal Union (NYMAPU) rallied against planned service cuts that would potentially eliminate Saturday mail delivery in front of the city's main post office on West 31 Street on Wednesday."


 The [Washington Post](#) has reported that:

- [It's easy](#) -- and accurate -- to blame the ailing condition of the U.S. Postal Service on the nation's sick economy. And the rapid movement toward electronic communications certainly has dealt the service a serious blow. But **as Congress looks for ways to pull the USPS from its financial sinkhole, lawmakers also should look in the mirror.** Programs approved by this august body have helped push the Postal Service to the brink of financial disaster. Slowly, belatedly, members of the House and Senate are coming to grips with their responsibility.
- [The former manager](#) of a U.S. Postal Service plant that employed two workers who died during the 2001 anthrax attacks is under consideration to serve as vice president of agency operations for the District, Maryland and Virginia, sources familiar with the selection process said. But such a move would upset workers who said he assured them of their safety just days before the two workers died of anthrax exposure, union leaders said. Timothy C. Haney oversees postal operations in most of New York, New Jersey and New England. Sources said Postmaster General John E. Potter may soon move him to manage the District, Maryland, Northern and Eastern Virginia, North Carolina and South Carolina."

 The [Financial Times](#) has reported that "Vince Cable, business secretary, will announce on Thursday that he has commissioned Richard Hooper, author of a seminal report on the future of the postal service, to update his findings and help shape the coalition's ambitious privatisation plan for Royal Mail." See also [Bloomberg](#).

 [The Star](#) has reported that "Konsortium Logistik Bhd, which is on an expansion mode this year, has expressed its interest to bid for Khazanah Nasional Bhd's 32.2% stake in Pos Malaysia Bhd. Executive director Che Azizuddin Che Ismail said Pos Malaysia could provide speed due to its widespread logistics network with more than 692 post offices, over 355 mini post offices and more than 223 independent postal agents nationwide."

June 23, 2010

 Subcommittee on [Federal Financial Management, Government Information, Federal Services, and International Security](#), Wednesday, June 23, 2010 02:30 PM Dirksen Senate Office Building, room G-50 [A [summary of comments](#) made at the hearing have also been posted on this site.]


- [Sen. Thomas Carper](#) (D-DE), opening statement


Witnesses, Panel 1


- [H. James Gooden](#), Chairman, Board of Directors, American Lung Association
- [Donald Hall, Jr.](#), President and Chief Executive Officer, Hallmark Cards, Inc.
- [Allen Abbott](#), Executive Vice President and Chief Operating Officer, MenStyle, Inc.
- [Keith McFalls](#), Vice President of Operations, PrimeMail and Triessant, Prime Therapeutics
- [Paul Misener](#), Vice President of Global Public Policy, Amazon.com
- [Andrew Rendich](#), Chief Service and DVD Operations Officer, Netflix, Inc.


Witnesses, Panel 2


- [Don Cantriel](#), President, National Rural Letter Carriers Association
- [Mr. Frederic Rolando](#), President, National Association of Letter Carriers
- [William Burrus](#), President, American Postal Workers Union
- [Richard Collins](#), Assistant to the President, National Postal Mail Handlers Union
- [Louis Atkins](#), Executive Vice President, National Association of Postal Supervisors
- [Charles Mapa](#), President, National League of Postmasters
- [Robert Rapoza](#), President, National Association of Postmasters of the United States


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


 At the beginning of April, TNT announced a fundamental restructuring and didn't rule out the disposal of its Mail division (CEP-News 14/10). Now the investment trust CVC is obviously negotiating with TNT. As the newspaper wrote with reference to sources close to the discussions, CVC plans to spend up to 1.5bn euros for a 'substantial stake'.

 In a so far unique move Austria's postal union called for an extraordinary meeting of the supervisory board. The employee representatives see an urgent need for action, as the branch network's result worsened further despite the closure of post offices.


 China's express and postal services continued their growth in May.


 The German Federal Network Agency will review Deutsche Posts's new rebates. After complaints by some competitors the German regulatory authority announced to audit the post's planned additional discounts for large scale senders. After the introduction of VAT for several letter services in July, Deutsche Post announced to keep prices stable for its major customers (CEP-News 15/10) by granting additional discounts.


 Swiss Post wants to win over 'advertising grouchs'. Around 170,000 households in the cantons of Bern, Lucerne and St. Gallen got mail from the post. The Swiss Post asked these households to remove their 'No Junk Mail' stickers from their post boxes.

 Romanian RTC Holding intends to become more active on the postal market. Last week the

company announced that its TCE division will establish postal offices in 200 places in the country until the end of this year. The firm plans to expand its network to more than 2,000 branches within five years, either self operated or run by externals. The product line will include domestic postal services with a delivery time of 3 to 5 days and international services. Courier and express services will also be offered.

 Nigeria Postal Service (NIPOST) again declared courier company's licences null and void.

 Spanish Correos signed a co-operation agreement with online travel agency Rumbo. Customers who don't want to pay their journey online, may now settle their bill - easy and without supplementary costs - in more than 2,300 of Correos's so called Multi-Service-Offices.

 Itella, the Finnish postal operator, is still struggling with declining letter volumes. On Monday the company announced that letter volume decreased by 3% from January to May compared to 2009. Thereby the post's volume has been declining for more than 18 months.


 Austrian Post has taken over internet service provider EBPP entirely.




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

 The [Washington Post](#) has reported that:


- [Lawmakers on Wednesday](#) will hear split views on proposed cuts in Saturday mail delivery from two of the nation's leading online retailers and largest customers of the U.S. Postal Service. Representatives of Amazon.com will call delivery cuts "a bad idea," while Netflix, the DVD mail-rental company, will say cuts would have little, if any, impact on its subscribers, according to testimony provided by congressional aides and prepared for a House-Senate hearing on the future of the mail agency. "Ceasing Saturday deliveries would be much worse for our rural customers, who simply would not be able to receive parcels on Saturday because there are no alternatives," Amazon Vice President Paul Misener will tell lawmakers. The online retailer would shift at least a sixth of its business to other carriers if the Postal Service stops delivering on Saturdays, Misener will say.
- [The main thing the U.S. Postal Service delivers these days is bad news](#), gloom and doom about its financial condition. The news is so bad that the wise ones in Congress decided they would need a relatively rare joint hearing of House members and senators to consider the thoughts of those directly affected by the Postal Service's \$7 billion projected loss for this fiscal year. The most novel suggestion in testimony submitted in advance comes from Louis Atkins, executive vice president of the National Association of Postal Supervisors. The Postal Service, he said, "lacks the vision, resources and know-how" to "generate additional revenue in innovative ways," products and services "that expand the definition of 'mail.' "
- CVS Caremark, one of the nation's largest pharmacy chains, warned Monday that patients receiving prescriptions by mail can expect higher costs if the Postal Service drops Saturday deliveries and competitors raise weekend rates. Other retail executives and the publishers of small newspapers also said they oppose Saturday cuts, arguing they would be negatively impacted by the move. John R. Seebeck, marketing director for furniture chain Crate and Barrel, said his company reluctantly supports Saturday cuts only if the mail agency keeps postage rates low. Despite the gloom and doom, the Postal Service cutbacks have the support of [media giant including Time Warner](#), which publishes 20 major magazines. Three of the mail agency's largest customers, movie mailer Netflix, AT&T and Bank of America have yet to issue an opinion.


 According to [GuruFocus](#), "Investors cannot overlook the value of an oligopoly. With little competition to fight off, these companies have above-average chances for strong returns over the long term. Think about it -- when you

want to send a package, what services immediately leap to mind? I can think of four: The Post Office, FedEx (FDX), UPS (UPS), and DHL Express. As far as international carriers go, and certainly with domestic ones, that's all there is as far as holding significant market share. The competition that does exist is essentially a commodity, and customers will really only examine three things when deciding which carrier to choose: price, service, and reliability. Prices vary wildly depending on the size and weight of the package, distance to travel and level of haste desired. I know from personal experience that I always check all four services for price. When it comes to service, however, the price has to be a tremendous bargain for me to set foot in the post office, with its understaffed counters and long lines. Time is money to everyone, after all. That's probably the reason why the Post Office is losing money hand over fist."


 Postal news from [Hellmail](#):


- [Uship Acquires Scottish Courier Boxby](#)
- [Pitney Bowes Recruits Client Director](#)
- [DX Group Signs National Deal With Big Yellow](#)
- [Bulgaria To Develop New Digital Communications System](#)
- [Vicious Cycle Of Decline For Postal Services](#)


 [World Radio Switzerland](#) has reported that "The new head of Swiss Post says stamp prices won't go up next year—but Jurg Bücher doesn't rule out hikes in the future. Prices were last raised in 2004. Bücher also called for a restructuring of the postal service to make it more independent from political decisions."


 [CIO.com](#) has reported that "Post offices in many emerging countries are being transformed from their traditional role of delivering letters, to centers for the delivery of Internet and services in far-flung locations, according to studies by the International Telecommunication Union (ITU) and Universal Postal Union (UPU). Literacy levels and economic growth however what Internet and communications technologies applications will be used by villagers, said Vishnu-Mohan Calindi, coordinator of development study groups at the ITU."

June 22, 2010

 [City A.M.](#) has reported that "George Osborne yesterday announced the government will seek a cash injection for the Royal Mail Group. The chancellor said he would press ahead with "long overdue" plans to attract private investment in the flagging institution."

 The [Houston Chronicle](#) has reported that "Six Houston-area people face federal charges that they cheated the U.S. Postal Service out of \$18.6 million by using counterfeit meters for four years at their mass mailing businesses. In an indictment unsealed Tuesday, prosecutors allege that three local businesses used counterfeit meters on mass mailings to cheat the post office out of \$14.6 million in revenue. Prosecutors also allege that the illegitimately-metered mail garnered the businesses \$3.9 million in postal refunds for presorting."

 [Mailing Systems Technology](#) has noted that "With the recent announcement of a November 2010 "Phase IV planned postage assessments" for some IMb Full-Service requirements, as well as non-compliance with time frames to use the "free" address correction data, this program is full of risks and no rewards from the industry perspective. Full Service has cost my company a large amount of money to implement, created many problems in processing jobs, added vast amounts of time and increased our exposure for additional unseen risks. The skill set required to work with the postage payment process is at an IT level – not clerical – which means more money and staffing changes. What ever happened to the basic business concept, "Make it easy for your customer to give you money?"


 [Postal Sanity](#) is wondering: "Click-N-Ship Labels: Is USPS alienating customers, just to keep delivery scores up?"



An audit has been posted today that elaborates on a previously issued whitepaper on the same topic. It can be found on the *U.S.*


Postal Service Office of Inspector General website (<http://www.uspsoig.gov/>). If you have additional questions concerning the report, please contact Agapi Doulaveris at 703-248-2286.

- [Civil Service Retirement System Overpayment by the Postal Service \(Report Number CI-MA-10-001\)](#). The Postal Service pension fund is not made up of tax dollars. The two funding streams are the employees' own money and money collected from postage sales, with inflated prices as a result of the \$75 billion overpayment. The return of the overpayment or a combination of actions to realize the benefit of the \$75 billion overpayment to the Postal Service would fully fund the pension and health retiree plans. The Postal Service's more than \$7 billion annual payments for retiree health care prefunding and retiree health care premiums would no longer be needed, because the pension and health retiree plans would be fully funded and interest income from the fully funded retiree health benefit fund could pay annual premiums.


 The [Memphis Commercial Appeal](#) has reported that "FedEx CEO Frederick W. Smith strongly endorsed plug-in electrical vehicles and a Senate bill promoting their development, noting the approach is also popular with the public. Testifying before the Senate Energy and Natural Resources Committee today, Smith said getting lithium battery technology scaled up so that electric vehicles are less expensive and no longer a "niche" market should be a high priority."


At the Postal Regulatory Commission:


- The [Official Transcript](#) Of Proceedings Before The Postal Regulatory Commission In the Matter of: Docket No. PI2010-3 Public Inquiry Concerning Procedures For Rate Cases has been posted on the PRC web site.
- You can find links to testimony and schedules for witnesses before the PRC on the five-day delivery proposal on the [PRC web site](#).


 **Press Release:** On Wednesday, June 23, 2010, at 2:30 p.m. in room G50 of the Dirksen Senate Office Building, the **House Subcommittee on Federal Workforce, Postal Service, and the District of Columbia** and the **Senate Subcommittee on Federal Management, Government Information, Federal Service, and International Security** will hold a joint hearing entitled, "**Having Their Say: Customer and Employee Views on the Future of the U.S. Postal Service.**" The economic downturn and the continued electronic diversion of mail, coupled with an aggressive retiree health pre-payment schedule have combined to put the Postal Service in financial crisis. A recent analysis of the future of the mail conducted on behalf of the Postal Service showed that mail volume may not recover along with the economy – further deteriorating the Postal Service's financial condition in the years to come. Moreover, in its April 12 report entitled, "U.S. Postal Service: Strategies and Options to Facilitate Progress Toward Financial Viability," the Government Accountability Office (GAO) found the Postal Service's current business model is not viable. To that end, the upcoming joint hearing is intended to provide customer and employee stakeholders an opportunity to discuss the economic difficulties currently facing the Postal Service and to respond to plans postal management and GAO have put forth to address them.


 **At the Postal Regulatory Commission: Position Available:** Attorney Administrator For The Public Representative Process Grade: PRC-6 SALARY RANGE: \$95,000 - \$140,000 Location: Postal Regulatory Commission Office Of General Counsel 901 New York Avenue, NW, Suite 200 Washington, DC 20268-0001.

 **ABC News** has reported that "Australia Post says motorcycle posties will be much easier to see from today. After a successful trial, posties will take to the roads and footpaths in new fluoro yellow high-visibility uniforms and enhancements for their bikes. The bikes will carry yellow flags and will also be covered in yellow stickers. Postal workers will also carry a yellow bag. Of 7,000 postal bikes, 1,000 have been kitted out with the new enhancements. Australia Post spokesman Scott McIntyre says the trial results show a definite reduction in accidents."

 [IOM Today](#) has reported that "union chiefs have pledged to be open-minded in pay negotiations with Post Office management, despite earlier threats of strike action. About 100 post office workers who are members of the Communication Workers' Union met on Sunday to discuss what action to take."

 According to [Bernama](#), "Come July 1, thousands of lowly-paid postmen and counter clerks at post offices throughout Malaysia will get their long overdue salary hike. It comes just three months after Prime Minister Datuk Seri Najib Tun Razak announced that Khazanah Nasional Berhad, the Malaysian government's investment holding arm, would divest its entire shareholding in Pos Malaysia, the Postal Services Department which was corporatised in 1992."

 The [Big Fat Marketing Blog](#) has reported that "A little creative prodding from vendors could spur mail's use in non-promotional efforts. Traditional mail is increasingly one of the least-regulated marketing channels, and can be used to capture opt-in permission for other, more restricted mediums such as e-mail or mobile. It can be used to spur retail traffic."

 [Postal Technology International](#) has reported that "Deutsche Post DHL is offering its customers a new bio-sourced payment card from digital security company Gemalto that can be used to pay for the mailing of letters, packages and express deliveries."


 ***From the Federal Register:***


Postal Service


Cigarettes and Smokeless Tobacco – Prohibited in All Outbound and Inbound
International Mail ,
35302 [2010–14829]


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


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


 Two of the leading makers of [electronic-book readers](#), threatened by the success of Apple Inc.'s iPad, slashed prices Monday in a move that could further drive e-readers into the mainstream. Largely due to price cuts, James McQuivey, an analyst at Forrester Research estimates 6.6 million dedicated e-readers will be sold in the U.S. this year, bringing the total sold to over 10.4 million. He expects prices on some e-readers lacking wireless Internet access will hit \$99 before the end of this year.


 [Japan's newly appointed banking and postal services minister](#) said Tuesday he expects the government's postal reform bill to be enacted in October of next year as planned. "I'm not expecting at this point the enactment of the bill to be delayed as I think it will pass (through parliament) quickly" said Shozaburo Jimi during a group media interview. Jimi replaced Shizuka Kamei, who stepped down earlier this month after failing to convince the government to extend a parliamentary session to allow passage of his postal reform legislation.

 The [Journal of Commerce](#) has reported that "TNT, the Dutch express and postal group, is in talks with CVC Capital Partners about selling a stake in its mail unit to the Luxembourg-based private equity firm, according to Dutch media reports. CVC is seeking a "substantial stake" in TNT Post worth as much as \$1.9 billion, Het Financieel Dagblad, the daily financial newspaper, quoted sources close to the talks as saying. Separately, CVC is reported to be eyeing a Brussels listing for Bpost, the Belgian postal group in which it has a 49.9 percent stake. The Belgian government owns the remaining 50.1 percent of the former postal monopoly."


 The [Chicago Tribune](#) has asked: "What do CVS Caremark Corp. and a northwest Michigan newspaper have in common? They both rely heavily on Saturday mail delivery. So when the Postal Regulatory Commission held a hearing Monday at City Hall, they came out to speak against the U.S. Postal Service's plan to eliminate Saturday delivery, which would save \$3 billion annually."

 [Dead Tree Edition](#) has reported that "Here's proof that someone at L'Enfant Plaza is reading Dead Tree Edition: The erroneous Postal Service Web page I wrote about yesterday was corrected early this morning. An alert commenter notified me at 4:53 a.m. Eastern time that Susan Plonkey had replaced the disgraced Robert F. Bernstock on the list of USPS executives. That was about 14 hours after the article was posted and about 12 hours after it started being cited by influential sites like Postalnews.com. Now let's hope USPS officials are paying attention to more important issues addressed by Dead Tree Edition, such as the costs of "automation refugees" and employees' difficulties in getting accurate estimates of retirement benefits."

 Postal news from [Hellmail](#):

 As Romania introduces austerity measures, [Romanian Post](#) (which employs around 35,000 people) has announced that it is to lay off a proportion of staff as part of a restructuring and modernisation strategy.

 In Part I of "[Royal Mail Mid-2010 Review of Financials and Modernisation](#)", Timothy D Nestved reviewed major events impacting Royal Mail during the prior half-year reporting period. In Part II (delayed due to Hellmail data table support issues), Tim focuses on analysis of the financial results for the second half-year and full year period. Tables are presented as rowed-text or simulated table data.

 [CFNews13](#) has reported that "Postal workers are gathering at several post offices in Orlando to sound off on the United States Postal Service's attempts to stop Saturday delivery service. The USPS says the delivery cuts are necessary, claiming the agency is facing a financial crisis. Some workers say the crisis is "artificial" and there's no reason to cut Saturday service."




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

- **Give Customers What They Really Want.** What can the Postal Service do to better understand customer needs in various markets? [Link to the blog.](#)


New Audit Projects opened: (Please share any information you may have that would help with these audits currently in progress by clicking on the links below):


- **10XG041NL000 - Air Network Operations - Surface Mail Classes on Air Transportation Networks.** Our objective is to determine whether the Postal Service improperly transports surface mail classes on air transportation other than the FedEx Day Turn Network and to identify potential savings. [Link to this audit project.](#)
- **10XG043EN000 - Benchmarking Mail Distribution to Carriers.** Our objective is to understand the process the Postal Service uses to prepare mail for delivery and to identify opportunities for improvement by benchmarking. [Link to this audit project](#)
- **10BG003FT000 - Review of the USPS Public Financial Disclosure Process (SF 278).** Our objective is to determine the adequacy of the Postal Service's procedures over the filing and review of the SF 278, Executive Branch Personnel Public Financial Disclosure Report. [Link to this audit project.](#)

 [TMCNet](#) has reported that "The Postal services companies in East, South and Central Africa have been urged to improve their services in order to cope with present challenges of world dynamic technological advancements. The call was sounded in Arusha by Arusha's Regional Commissioner Isidore Shirima when he officially opened the Eastern Southern and Central Africa Region Postal Companies' executives meeting. RC Shirima said postal companies needed to increase speed in their services so as not to be left behind or sidelined by technological advancements. In the speech read on his behalf by the District Commissioner for Arusha, Raymond Mushi, the


Regional Commissioner said postal companies needed to revolutionize their services through improved infrastructure and application of modern technology."


June 21, 2010


 The [Courier, Express, and Postal Observer](#) has told its readers that "Many postal commentators have suggested that the Postal Service take a last mile strategy, focusing on the advantages that the delivery network offers shippers and advertisers for a low cost solution. What these commentators miss is that a last mile strategy results in an enterprise that has little control over what it handles and little understanding as to what the mailer or shipper really needs for service."

 [International Freighting Weekly](#) has reported that "DHL Supply Chain has been awarded a £17 million (US\$25m) contract to implement a national supply chain for British Gas. The contract, spread over five years, is focused on optimising the financial and environmental efficiency of the British Gas UK smart-meter roll-out. DHL said the deal would also help it create new jobs in the logistics sector. The smart-meters, designed to reduce energy consumption and carbon emissions, will eventually be installed in every UK home. DHL told IFW this involved the installation and maintenance of more than 16 million smart meters for British Gas's 12 million customers."


 [Business Times](#) has reported that "Pos Malaysia Bhd rose to its highest level in more than two months after a local business daily reported that 11 companies, including DHL Express and TNT NV, may bid for Khazanah Nasional Bhd's 32 per cent stake in the national postal company."


 [Melodika](#) has reported that "Roslyn Feldman, an 88-year-old woman from Brooklyn, NY, lost her life savings of \$60,000 by playing fraudulent sweepstakes over a two year period. NTVCC filed complaints on Mrs. Feldman's behalf with the Attorney General of New York's office and with the Postal Inspection Service not only to raise awareness of the sweepstakes scam problem, but also to get law enforcement involved in stopping the companies sending these solicitations."


 [Hellmail](#) has noted that "Annual decline in addressed mail volume continues to make for difficult and uncertain times for postal operators around the world. Whilst all are being encouraged by regulators or government to diversify and become more efficient, the relentless pressure from newer and more accessible digital communications has already forced many operators to accept that this is a battle they are unlikely to win unless they themselves become brand leaders in electronic mail systems. What makes this change all the more difficult is having to second-guess all these evolving technologies, which systems are likely to yeild the most profitable return, and how we will all communicate in the future. Laptops, i-pads and mobile phones all offer their own unique ways for consumers to communicate and the technology has already eaten into what were key areas for traditional postal services. Many operators now offer their own flavour of digital mail such as hybrid or even paper-free, but most of these systems are being targeted at business - their most profitable area."

 [Bloomberg Businessweek](#) has reported that "CVS Caremark Corp. and Medco Health Solutions Inc. are opposing the U.S. Postal Service's plan to end Saturday delivery, saying the move would delay needed medicines and may boost mail-order drug prices. The pharmacy-benefits management companies, which shipped more than 150 million drug orders last year, have joined publishers of small newspapers to challenge the Postal Service and its plan to cut service to save about \$3 billion a year."


June 20, 2010


 According to [Dead Tree Edition](#), "More than two weeks after Robert F. Bernstock left the U.S. Postal Service under a cloud of scandal, a USPS Web site still lists him as a key executive. Before Bernstock was even out the door, Susan M. Plonkey was named to succeed him. But it's still Bernstock, not Plonkey, who appears on the list of the USPS's 10-person executive committee on a USPS Web page. One of the controversial sole-source contracts was for "Web site modernization". Perhaps Bernstock's cronies decided that Web site modernization did not include keeping information up to date."


 "We need to be freed from some constraints to get more speed to market and more flexibility," said Susan Plonkey, acting president for shipping and mailing services for the Postal Service in Washington." [The Oklahoman](#) reported that ""There's value in direct mail and value in mail," Plonkey said, pointing to the USPS' recent hugely successful advertising campaign for its flat rate boxes ("If it fits, it ships."). The campaign, which had a \$38 million profit margin, not only included TV ads, but also radio, Web and direct mail, Plonkey said. Direct mail outperformed TV advertising 3-to-1, she said."

 [Yahoo! Finance](#) has reported that "Germany's Postbank plans to take over 277 branches of Deutsche Post (Xetra: 555200 - news) across the country on July 1, Postbank boss Stefan Juette said in an interview published Saturday in the daily Bild. "We are using the crisis as an opportunity: we are very probably going to purchase 277 Deutsche Post branches to expand our network significantly," he told the newspaper. Postbank customers will also see new products offered in their branches, such as telephone and energy supply services, he added. Postbank is Germany's leading retail banker with more than 14 million clients."


June 19, 2010

 [KPUA](#) has reported that "Hawaii Sens. Daniel Inouye and Daniel Akaka say hearings on a proposal to drop mail deliveries on Saturdays should be held in Hawaii and Alaska. The island Democrats joined Alaska's senators, Republican Lisa Murkowski and Democrat Mark Begich, in asking the Postal Regulatory Commission to hold hearings in both states. The commission has already announced hearings on the proposal will be held in seven other states." See also the [Daily News-Miner](#).


 [24/7 WallSt](#) has reported that "FedEx Corporation may have been part of the reason for the rally late today that took markets into positive territory. Headlines hit late in the day on the Dow Jones broad tape from Senate Commerce Committee Chairman John D. Rockefeller, a Democrat, saying that the proposed legislation that would make it easier for FedEx workers to unionize has no chance of passing in Congress. This is an issue we have followed for some time. United Parcel Service, Inc. (NYSE: UPS) is mostly unionized and is the number one competitor for FedEx. If these workers in aviation and trucking are placed under the National Labor Relations Act, it would then be on the same ground (no pun intended) as UPS. Some have maintained that if those workers are allowed to unionize that the cost would be thousands of dollars per employee per month. Those costs are not necessarily just out-of-pocket costs based upon the potential of higher wages and higher benefits, but include the opportunity cost of less business per employee. It is a safe bet that calculations vary greatly from source to source. There is a risk of jobs cuts at stake and there is the issue of a per-employee cost... An article from Scripps in 2009 noted, "Thousands of FedEx's 290,000 employees would be affected and some analysts say the company's expenses would increase 30 percent as a result of unionization."


 According to the [Washington Post](#), "The Postal Reform Act of 2006 requires the Postal Service to prepay into an employee retirement fund each year to ensure that its increasing financial woes will not leave taxpayers shouldering costs. The Postal Service hopes Congress will release it from this obligation. That it already cannot afford such payments only reinforces the wisdom of the requirement: If Congress ends pre-funding, taxpayers will pay the price. But it might make sense to reevaluate the assumptions about workforce size and composition that serve as the basis for the requirement, which could lead to a decrease in these payments by billions a year. If Congress agrees -- as it did last year -- to let the USPS delay payments, it must make sure the Postal Service can undertake the reforms it so badly needs."


 ***From the Federal Register:*** [Postal Regulatory Commission](#) **NOTICES** New Postal Products , 35102–35103 [2010–14831] [\[TEXT\]](#) [\[PDF\]](#)


 [BGR](#) has reported that "Nokia's Executive VP for Markets, Anssi Vanjoki, announced that all Nokia smartphones will include Near Field Communication (NFC) beginning in 2011. The announcement was made yesterday during a keynote speech at the Mobey Forum in Helsinki, Finland. Some of NFC's potential uses include: mobile payments, mobile ticketing, P2P setup, and RFID tag reading." [*EdNote: Get ready to kiss conventional banking good-bye.*]

June 18, 2010

 The [Deccan Chronicle](#) has noted that "India Post's Proof of Address Card (POA) was launched here by Warangal Range DIG Jitender on Friday in the presence of Usha Chandrasekhar, postmaster general, North region. India Post's AP North region includes six districts of Warangal, Mahbubnagar, Nalgonda, Adilabad, Nizamabad and Karimnagar. The POA card, also recognised by Unique Identification Authority of India (UIDAI) as sufficient proof of address for issue of UID card, is aimed at giving people an identity while applying for various government schemes and other purposes like applying for a PAN card, election photo identity card, passport, etc. Terming the POA card as helpful to the police department, Mr Jitender said that it would help the police in identifying wrong elements. However, the POA card, which costs Rs 240, has to be renewed every year by paying a renewal fee of Rs 140 to the postal department. It is also not an alternative to UID card, which is expected to be issued to all Indians, sources said."

 **DMM Advisory: Good News for Mail.XML!** The Mail.XML® data distribution, which provides full-service feedback from the Mail Data Quality reports (originally included in *PostalOne!*® Release 22 of 11/2009), has now been re-activated. Reports are currently being distributed to mailers. Additional information can be found in section 3.2.2 — "User Access to Electronic Mailing Information and Reports Guide: Business Customer Gateway Information, On-line Services, and Full-Service Tools" Volume I, found at: http://ribbs.usps.gov/intelligentmail_guides/documents/tech_guides/user_access/ElectronicMailingInfoReportsGuide1.pdf.

 **Having Their Say: Customer And Employee Views On The Future Of The U.S. Postal Service Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security. Wednesday, June 23, 2010 2:30 p.m. Dirksen Senate Office Building, room 342.** Live video will not be available until approximately 15 minutes prior to the scheduled hearing start time. See also [House Oversight and Government Reform committee notice](#).

 [Intelisent](#) has told its readers that "Over the past two weeks, I have seen a number of vanity press releases from companies claiming to be the first approved Full Service Intelligent Mail barcode service provider in their areas. These claims are almost always false, in regards to being the "first". The last two releases I saw were packed with misinformation about Full Service and mail piece tracking as well. This comes up time and time again. For the record - you cannot get individual mail piece tracking from Full Service IMb alone. In order to get individual mail piece tracking, you need to use USPS Confirm service, a service that can also be used with BASIC Intelligent Mail. Full Service Intelligent mail requires electronic documentation, unique piece, tray, and pallet label barcodes, and a host of other requirements. Full Service provides "free" Address Corrections (only on the automated portion of a mailing - the non-auto pieces do not qualify) and Start the Clock information. Start the Clock indicates when the USPS has taken possession of the mail."



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

- **Too Costly to Keep On Truckin?** We recently released an audit report on the Postal Service's Delivery Vehicle Replacement Strategy. Considering the growing costs of maintaining this unique but aging fleet, what are your thoughts on a cost-effective, but practical replacement delivery vehicle fleet?



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

- Louis Giuliano, USPS Board of Governors Chairman spoke at the June 9 Association for Postal Commerce Board meeting. He explained the plan the Postal Service had put forth in recent testimony before Congress, and stressed the importance of the implementation of all facets of the plan.

- The USPS Office of Inspector General (IG) released a management advisory report on “Benchmarking Best Practices with Presort Bureaus.” The self-initiated review was to benchmark letter and flat mail processing at the USPS with presort bureaus. This review addresses financial and operational risks.
- The USPS Office of Inspector General (IG) released a management advisory report this week on the “Assessment of Overall Plant Efficiency 2010.” The objective of the report was to assess the overall efficiency of the processing and distribution network for FY 2009. The report presents the USPS’ progress in reducing workhours based on recommendations made by the IG in a prior report.
- The USPS Office of Inspector General (IG) has released a report this week titled “Analyzing the Postal Service’s Retail Network Using an Objective Modeling Approach. The IG explains that “modernization should not be thought of as solely a cost-saving response to the Postal Service’s financial problems,” but rather “. . . a way to meet demand more efficiently and equitably in a way that cuts costs, encourages constant reevaluation and improvement, and aligns the Postal Service’s retail network to the way people live now.”
- The USPS’ Office of Inspector General (OIG) this week published the results of its audit of the USPS’ Delivery Vehicle Replacement Strategy, which the OIG said it undertook to “determine if the Postal Service has a viable and effective vehicle replacement strategy – viable as it relates to financial operational practicality and effective as it relates to the financial risks associated with an aging delivery fleet.” The OIG recommended that the USPS in FY 2011 begin replacing part its aging delivery fleet sooner than planned (FY 2018) primarily because maintenance of the aging vehicles would cost \$342 million more than the cost to replace those vehicles.
- According to Time Inc. postal affairs vice president Jim O'Brien, "The OIG recently posted a survey regarding rate complexity which asked the questions: "Does the Postal Service need more than 10,000 prices for its products and services? Can the Postal Service significantly reduce the number and complexity of prices?" Proponents of rate simplification should know that complex rates aren't necessarily a bad thing for mailers."
- USPS proposes e-Doc requirement for co-mail and co-palletized mail. USPS lays out escalation process for mailers. USPS to give publishers a break on ride-alongs. Chris Lien takes over. Parascript recognized. FedEx customers stick with ground. More cuts ahead. NNA opposes five-day. Postal employees wasting time? PostCom General Counsel Firm Venable singled out.
- An update on postal rules and notices published in the Federal Register.
- PRC investigates volume estimates from incentive programs.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- Postal previews.

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




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




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


[Media Daily News](#) has reported that "The e-reader revolution is gaining ground, according to the latest findings from GfK MRI's Survey of the American Consumer, aided by the surge of interest in Apple's new iPad. These findings document the rapid expansion of the e-reader base. They are good news for magazine and newspaper publishers hoping to cash in on the wave of new devices with digital editions. Overall, the total number of e-reader owners increased 34% in the first half of 2010, jumping from just under 2.1 million to 2.8 million, the annual GfK MRI survey found. What's more, consumers who own e-readers have a very attractive demographic profile: They


are 111% more likely than the average U.S. adult to have a household income of \$100,000 or more and 159% more likely to have a post-graduate degree. They are also 28% more likely to be between the ages of 35 and 44."


 **At the Postal Regulatory Commission:** The Postal Regulatory Commission has published its rolling CPI indicator through May 2010. **The cumulative rate of inflation? 0.757%.** *[EdNote: So tell me again, why are mailers going to have to swallow a 4-8% rate increase when the rate of inflation as calculated under PAEA is less than a percent? And puh-lease! Don't give me any of that extraordinary and exceptional nonsense. The only thing that's been "extraordinary or exceptional" is the Postal Service's intransigence when it comes to following every possible alternative pathway before resorting to dinging its customers. Of course, lately, what might have been deemed "extraordinary or exceptional" is getting to be an everyday event for the Postal Service.]*


 The [Wall Street Journal](#) has reported that "In what is good news for shoppers but bad news for many companies, U.S. consumer prices fell 0.2% last month from April, even as commodity prices from metal to fuel to food remain higher than they were a year ago." ***[EdNote: The not-so-good news for many U.S. companies is the fact that the Postal Service, despite the absence of inflation, wants to raise postal rates on the order of 4-8% by invoking the "extraordinary and exceptional" clause of the 2006 postal act.]***

 The [Financial Times](#) has reported that "Royal Mail's chairman is advising ministers to plan for a multi-billion pound stock market flotation in an options-open approach to privatisation that could take two or three years to come to fruition. Donald Brydon told the Financial Times in an interview that the state-owned postal operator was entering a "new era", with better industrial relations and an opportunity finally to sort out its pension deficit, regulation and ownership. He said Moya Greene, the Canada Post head due to start as chief executive next month, was a "startlingly good leader" who would "help with this sense of page-turning and a new future". Royal Mail is also looking for a new finance director after this week's resignation of Ian Duncan. The Con-Lib coalition is drawing up a bill to open up Royal Mail to private capital, with the parliamentary arithmetic offering a better prospect of success after failed attempts over the past 20 years."


 The [Globe and Mail](#) has noted that "Ms. Greene hasn't had many missteps during her five years at the helm of Canada Post. The Crown corporation has generated regular annual profits, cut costs by more than \$500-million and modernized much of its operations. Now Ms. Greene is off to London to become chief executive officer in July of the Royal Mail, a job she acknowledges will be "daunting."

 The [Postalnews Blog](#) has reported that "The US Postal Service is expected to announce the appointment of Northeast Area VP Tim Haney to replace Jerry Lane as Vice President for the Cap Metro Area. Lane was "separated" from the USPS after an incident at the Dulles VA Processing and Distribution Facility resulted in police being called, and Lane being charged with assaulting the Plant Manager. Haney has been Northeast Area VP since 2006. Before that he was the Capital District Manager for four and a half years."

 [Hellmail](#) has reported that "The Royal Mail's Address Management Unit (AMU) has appointed AFD Software Ltd (AFD) to assist with the development and distribution of the Postcode Address File (PAF®) and its portfolio of address management products."


 The [Associated Press](#) has reported that "Mail and document-management company Pitney Bowes Inc. said Friday it promoted two of its executives to expanded senior leadership roles. Vicki O'Meara was named president of Pitney Bowes Management Services and Government & Postal Affairs. She joined the company in 2008 as executive vice president and chief legal and compliance officer, the company said. She succeeds David Dobson, who is leaving to pursue a role at another company. O'Meara's legal and compliance responsibilities will be filled on an interim basis by Johnna Torson, Pitney Bowes' chief human resources officer. John O'Hara was named vice president and president of Pitney Bowes Business Insight. He previously served as executive vice president and general manager of the international operations of PBBI."

June 17, 2010

 The [President of the American Postal Workers Union](#) has said that "This will not be a giveback contract," APWU President Burrus told members of the union's Rank and File Bargaining Advisory Committee at their first meeting on June 16. "Negotiations may be difficult," he said, "but it is our job to find a way around the obstacles we face." Contract negotiations are scheduled to begin on Sept. 1; the current Collective Bargaining Agreement expires Nov. 20."

 From the [Courier, Express, and Postal Observer](#): "How Smart Post Makes FedEx More Profitable."

 **At the [Postal Regulatory Commission](#): Docket No. MC2010-20. "[Order Approving Request To Transfer Selected Post Office Box Service Locations To The Competitive Product List](#)"**


 [Government Executive](#) has reported that "The Treasury Department is kicking off an initiative to move recipients of federal benefits away from paper payments to direct deposit by March 2013, the Obama administration announced Monday. New enrollees receiving a range of benefits administered by the Social Security Administration, Veterans Affairs Department, Railroad Retirement Board and Office of Personnel Management will be required to receive payments beginning March 1, 2011, either through direct deposit into a bank account or through a Treasury-issued debit card. All existing check recipients will have to enroll to receive electronic payments by March 1, 2013. Treasury announced the initiative in April, saying that moving all recipients of these benefits to electronic payments would save more than \$300 million in the first five years. Currently, 85 percent of federal benefit recipients receive their payments electronically."




AUDIT ALERT: When the U.S. Postal Service Office of Inspector General first publicized that it was looking for public comment on audits in progress, we provided a link to all ongoing projects at that point. Subsequent to that announcement we published **new** audits in progress and provided a short definition of the audit's scope. However, some of our stakeholders have requested that we provide an actual list of the audits in progress at the time of the first announcement. So to catch you up: here is a link to the first group of audits in progress that are still ongoing:


- [10XG033NL000 Air Network Operations - FedEx Transportation Agreement - Capping Project](#) was started to determine whether selected transportation operations were effective and economical.
- [10BG005FT000 Bank Secrecy Compliance](#) was started to determine why retail associates are not utilizing the BSA POS system when completing the 8105-A forms. Also, we will determine why the compliance rate for 8105-A reporting has decreased.
- [10YG022SA000 Comparison of Internet and Mail Voting](#) was started to determine the potential risks, benefits, and opportunities with Internet and voting by mail.
- [10RG010IT000 Controls Over Payment Card Transaction Data](#) was started to determine whether controls surrounding payment card transaction data are adequate to prevent data compromises and breaches.
- [10BO017FF000 Early Distribution of Employee Paychecks](#) was started to evaluate the process for issuing salary checks early and determine the impact for cashing the salary checks prior to the pay date.
- [10YG016DA000 Facility Leases: Conflict of Interests](#) was started to determine if the Postal Service has adequate controls over the execution of new agreements, renewals or extensions of leases to avoid actual or apparent conflicts of interest.
- [10BD005FF000 FY 2010 Quality of USPS Field Testing & Compliance \(FTC\) Reviews\(CAPPING\)](#) was started to evaluate: 1) the accuracy of Field Testing & Compliance (FTC) work in performing key financial reporting control reviews of field-level locations 2) the quality of FTC work paper documentation, reports, and procedures performed, and 3) whether the FTC review results are consistent with the OIG's results. However, for the desk reviews the OIG will limit the reviews to the exceptions FTC reported.


- [10BD008FT000](#) [FY 2010 Special Purpose Audit Opinion](#) was started to express an opinion on the reclassified balance sheet as of September 30, 2010, and the related statement of income for the year then ended (referred to as special purpose financial statements).
- [10YG021HR000](#) [Increase Overtime](#) was started to determine whether the Postal Service is effectively managing its overtime usage.
- [10YG019DA000](#) [Intelligent Mail: Realizing Revenue Assurance Benefits](#) was started to identify barriers to mailer participation in the full service Intelligent Mail program. In addition, we will determine if the Intelligent Mail system is able to ensure the accuracy of mailer postage statements.
- [10RG012MS000](#) [Market Intelligence](#) was started to determine whether the Postal Service uses best practices to gather market intelligence to make informed business decisions.
- [10RG008CRR000](#) [Periodicals Data Quality](#) was started to determine whether the costs attributed to Periodicals are accurate and to evaluate Periodicals processing decisions made by management, for example, preferential treatment of some publications.
- [10YG024SA000](#) [Postal Service Facility Security](#) was started to gain an understanding of the facility security processes and identify potential risks and vulnerabilities.
- [10XG013NL001](#) [PVS Transportation - Washington NDC](#) was started to determine whether Postal Vehicle Service (PVS) vehicle operations are effective and economical.
- [10RG017CRR000](#) [Review of PostalOne Mail.dat/Mail.xml](#) was started to obtain background information, identify potential audit issues regarding the processes associated with Mail.dat and Mail.xml, and formulate detailed audit objectives.
- [10XG006DR001](#) [The Effects of the Flats Sequence System on Delivery Operations - Columbus District](#) was started to evaluate the Flat Sequencing System (FSS) operations in selected Columbus, OH, District delivery units.
- [10XG006DR002](#) [The Effects of the Flats Sequence System on Delivery Operations - Mid-America District](#) was started to evaluate the Flat Sequencing System (FSS) operations in selected Mid-America District delivery units.
- [10XG023NL000](#) [The Evaluation of Major Transportation Technology Initiatives -- Blockbuster \(Survey\)](#) was started to assess the planning, implementation and results for major transportation technology initiatives such as Postal Vehicle Service - Management System (PVS-MS), Surface Visibility (SV), Transportation Optimization System (TOPS), and Yard Management System (YMS).
- [10YG017HR000](#) [Time and Attendance Misconduct](#) was started to assess whether the Postal Service's controls over time and attendance are adequate to ensure accurate reporting of employees' work hours.
- [10XG004DR000](#) [Vehicle Parts Inventory Management](#) was started to evaluate the effectiveness of the Postal Service's vehicle parts program. Specifically whether the process for purchasing vehicle parts could be improved and if inventory controls are effective for vehicle parts obtained through the consignment contractors.
- [10RG015MS000](#) [Workshare Discounts Exceeding Costs](#) was started to determine whether Postal Service workshare discounts in excess of avoided costs were reasonable.


 The [Wall Street Journal](#) has reported that "Proposed U.S. legislation to make it easier to unionize at FedEx Corp. has no chance of clearing Congress, a top Senate Democrat said Thursday, dealing a blow to a lobbying campaign waged by rival United Parcel Service Inc. and the Teamsters union. "I know perfectly well if I put that in the bill ... it's not going to pass," Senate Commerce Committee Chairman John D. Rockefeller (D., W.Va.) said in an


interview. UPS, the International Brotherhood of Teamsters and other major unions have spent the past year pushing for the provision to be included in a far-reaching aviation bill that would also raise safety standards in the airline industry and fund the Federal Aviation Administration. FedEx has opposed the measure, saying it would severely disrupt its air-service business. The House passed a bill with the FedEx provision last year, but a version passed by the Senate in March excludes the measure.


 From [PRNewswire](#): "To comply with legislation passed by Congress and signed into law by the President, cigarettes and smokeless tobacco products will be subject to new mailing regulations effective June 29, 2010. The law, Prevent All Cigarette Trafficking Act, Public Law No. 111-154, was signed into law March 31. With only a few limited exceptions, the Postal Service will no longer be allowed to accept or transport packages containing cigarettes or smokeless tobacco products. The general mailability ban will extend to cigarettes, roll-your-own tobacco and smokeless tobacco. The prohibition does not include cigars. Shipments entirely within Alaska and Hawaii will continue, subject to certain labeling and acceptance requirements."


 The [Wall Street Journal](#) has noted that "Australia Post under Ahmed Fahour aims to be a net beneficiary of the digital age, exploiting a brand and an unparalleled distribution system to be the service provider of choice. Unsurprisingly, the chief wants Australia Post to maximise the benefits from the digital age and not be killed by them."


 [Total Telecom](#) has reported that "The Kosovo government Wednesday launched the privatization of Post and Telecom, known as PTK, the largest public company, announcing that the funds raised will be invested in infrastructure. "PTK will be privatized very soon to have more income for our huge economic priorities like finishing the Vermnica to Merdare highway," Prime Minister Hashim Thaci said after his cabinet endorsed the plan."


 The [Financial Times](#) has reported that "Royal Mail's finance director has departed abruptly, leaving the state-owned postal operator in search of a pivotal figure in what is likely to be one of the biggest privatisations in years."

 [Post & Parcel](#) have reported that "De Post–La Poste, the Belgian national postal operator, has rebranded as 'bpost'. The name change reflects the modernisation of the business over the past ten years, and will be implemented in September - months before the full liberalisation of the postal market in Europe."

 [Dead Tree Edition](#) has reported that "The Postal Service has decided to liberalize the "ride-along" rules that have prevented product samples and certain other advertising gimmicks from running in U.S. magazines, sources said today. The new regulations would reduce the postal cost of many of those advertising pieces by 90% or more."

 [Online Daily Media](#) has reported that "Are consumers actually engaging more with content on devices like smartphones and tablets? Publishers in attendance for OMMA Publish on Wednesday wanted to know. Heck yeah, said Cameron Clayton, VP of mobile for The Weather Channel. "The iPhone changed everything from an engagement point of view." To date, The Weather Channel has recorded 10 million downloads, and now sees 5 million uniques a month. "The ad story is huge; the paid version is huge," said Clayton. The iPad experience is different, he said. "It's about weekends," when the publisher witnesses a 300-to-400% spike versus the weekdays."

 [Hellmail](#) has reported that "Most European countries have adopted at least one or more forms of Hybrid Mail, Usually the result of carefully crafted partnerships between postal operators and print houses." [*EdNote: Hybrid mail? Not in America. Postal officials are too worried about draining off traditional mail revenue. Forget that there's simply no better way for a postal system to go "green." No, whenever hybrid mail shows its face in America, the USPS will present it in some form that denudes it of its principal values.*]

 The [Washington Post](#) has reported that "The wheels are literally falling off at the Postal Service and it's getting more expensive to fix them, according to a new report by the agency's auditors. Most of the Postal Service's iconic right-hand drive delivery trucks (known as long-life vehicles or LLVs) are nearing the end of a 24-year life cycle. The Postal Service estimates it would cost about \$4.2 billion -- or \$30,000 per truck -- to replace the fleet. The big price tag and plummeting revenues forced the mail agency to delay purchasing new vehicles until 2018. An audit

report released Wednesday found that it cost about \$524 million to fix LLVs in fiscal year 2009. Some trucks required \$43,000 in maintenance even though Postal Service policy says individual repairs should cost about \$3,500. Another 19,000 trucks each required an average of \$5,600 in repairs, the report said. At that rate, repairs in the next eight years will cost \$342 million more than it would to buy new trucks, auditors said."

🇺🇸 BCC Software will conclude its year-long executive transition on June 30, with the retirement of founder and President K. Jon Runstrom. He will be succeeded by Chris Lien, currently BCC Executive Vice President, on July 1.

🇺🇸 According to the [National Enquirer](#), "Huge solar flares from the sun may create huge power blackouts and the Earth will be left without key communication signals for a longtime after a "once in a life time space storm" NASA warns. The perfect space storm could cause catastrophic consequences for the world's health, emergency services and national security unless precautions are taken." As one wag put it: "Buy stamps."

🇺🇸 [Engadget](#) has reported that HP and Yahoo! "are working on delivering targeted ads to HP's web-connected printers, and the ads would apparently only show up when you use HP's "scheduled delivery" service to have portions of a newspaper or magazine printed every morning. To make those ads as targeted as possible, HP says the printers would also employ IP sniffing to help pin down your location, and the company says that the ads could also be targeted based on "user's behavior as well as the content." See also [PC World](#).



🇺🇸 [Parascript, LLC](#), the image analysis and pattern recognition technology provider, was awarded the prestigious STAR Supplier Award by Lockheed Martin for its performance and contribution to the success of the United States Postal Service (USPS) Remote Computer Reader (RCR) system. The award recognizes Parascript's achievements in working with Lockheed Martin in meeting some of the most stringent performance criteria in the mail processing industry.




From left-hand side: Ken Henson, subcontractor program manager; Alexander Filatov, president and CTO; Nancy Miller, director automation/recognition systems distribution technologies; and Bill Pearlman, acting co-president.

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

- [Delivery Vehicle Replacement Strategy \(Report Number DA-AR-10-005\)](#). The Postal Service has successfully maintained its Long Life Vehicle (LLV) delivery vehicle fleet in safe, working condition for more than 20 years. However, analysis of delivery vehicle costs shows this strategy would not be cost-effective for fleet vehicles the Postal Service will have to replace soon. A “fix as fails” strategy would cost \$342 million more than it would cost to purchase new vehicles.


 The latest issue of [PostEurop News](#) is available online.

 From [PRWeb](#): "AirNet Systems, Inc. announced today plans to launch a new early AM overnight delivery service for documents and small packages weighing 1-10 lbs. The new service, called SuperSaver Pak, offers the latest package pick ups in the industry – as late as 1:00 a.m. – with overnight delivery as early as 7:30 a.m. to over 20 major metropolitan markets in the United States. SuperSaver Pak service also offers customers the ability to drop off packages as late as 2:00 a.m. in many markets."

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


- [FedEx Corp.'s U.S. customers](#) who opted for lower-priced ground services over premium air services amid the recession don't appear to be switching back in large numbers as the economy improves. Many U.S. customers who switched have found the speed of FedEx's ground deliveries suitable for their needs. In the U.S., FedEx's average daily volume of overnight deliveries of boxes and envelopes was up less than 1%, meaning it was essentially flat, in the fiscal year ended May 31. Meanwhile, average daily package volume in the company's ground division, including its SmartPost unit, was up about 12% for the year.
- [FedEx Corp. expects the U.S. Senate](#) to alter an aviation bill that would change the labor laws governing its drivers.
- [Judging by the action in the markets](#), FedEx isn't really living up to its billing as a bellwether for the broader economy on Wednesday. Heck, it's barely even influencing the transportation sector. The conventional wisdom is that if shipper reports improved activity, or significantly reduced activity, that's a handy signal activity at an array of other businesses. By that standard, Wednesday's news from FedEx was mixed.


June 16, 2010


 [Advertising Age](#) has reported that "Simulations of a digital magazine marketplace have shown that consumers will buy interactive issues for tablets and e-readers, a consultant working for Next Issue Media, the consortium of major print publishers, said today."



<h2>PostCom Flats Deflection Webinar</h2>
<p>Join us for a Webinar on June 30</p>
<p>REGISTER NOW</p>
<p>Space is limited. Reserve your Webinar seat now at: https://www1.gotomeeting.com/register/805354937</p>
<p>Please join Anita Pursley, Vice President Postal Affairs, Worldcolor Logistics and Pat Bayer, Director, Brown Logistics Services on Wednesday June 30th at 2:00pm Eastern to find out how the 'New Flats</p>


Deflection Requirements' will affect your mailing plans and postage budget." Find out what the requirements are and how to determine if you need to make changes to your mailpieces
Date: Wednesday, June 30, 2010; **Time:** 2:00 PM - 3:00 PM EDT ; After registering you will receive a confirmation email containing information about joining the Webinar.


 From [Business Newswire](#): "Intermec today announced that Canada Post, the official postal service of Canada and a leader in the information delivery sector, has selected the Intermec CN50 to equip more than 8,000 foot-based Letter Carriers to meet the delivery operations requirements to provide timely delivery information to customers for all traceable items.


 From [Globe Newswire](#): "DiscMail Direct, an industry coalition representing leading manufacturers, packagers and creative services companies involved in the use of optical media for direct mail applications, has been announced."


 The [Associated Press](#) has reported that "A former postal service worker has been sentenced to six months in jail and three months of formal probation for stealing mail at a Santa Ana distribution center."


 [The Hindu](#) has reported that "The Department of Posts has introduced special services like new pension scheme, instant money order and money order Vidhesh schemes for the benefit of the customers."


 The [Uxbridge Gazette](#) has reported that "disgruntled residents in Northwood say staff cuts at Royal Mail mean they are receiving their post as late as 8pm, with no delivery at all on some days. For the past six weeks, they say, they have not had a regular postman and have been getting their mail delivered by various staff who are working overtime."


 [Hellmail](#) has reported that "Estonian Post has announced it is to introduce automated parcel terminals, with the first one installed in Estonia's capital, Tallinn. The terminals are manufactured by Austrian company Keba, which specialises in automation solutions including the manufacture of industrial equipment, banking and self-service terminals. The company is the market leader in the world in the production of self-service automated machines, supplying many postal services. To date, Keba has installed over 3000 terminals across Europe including Germany, Norway, Denmark and other countries."

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


 For the moment Swiss Post may breathe a sigh of relief as US American RPost withdrew its patent infringement lawsuit (CEP-News 10/10). A spokesperson for the post confirmed that an agreement was struck, but Swiss Post declined to comment on the details of the agreement. According to the post, further information will be given in a few days. Zafar Khan, RPost's CEO, disclosed that Swiss Post wouldn't continue to offer its email service IncaMail in the USA anymore. Furthermore Khan said, that there will be a clarification of the situation in Europe too. RPost filed the lawsuit in spring, because the company saw an infringement of its 25 patents worldwide - including two Swiss patents - by the post's service offer. RPost offers, amongst other things, a secure email service under the brand name 'Registered Email'.


 The new British government wants to realise around 9bn GBP - more than 10.8bn euros - by an IPO of Royal Mail.


 In a note to the employees of Deutsche Post Jürgen Gerdes, chairman of Deutsche Post's Mail division, denied a report from the business journal »Wirtschaftswoche« (12.06.). The paper wrote that Deutsche Post would plan to 'drastically rebuild its Mail unit'. The report states that the company had set a savings target of one billion euros for the next twelve months under the name of 'Projekt One'. According to Deutsche Post this is false and cost reductions of this size can only be realised as the result of a multi-annual process. The only thing reported correctly was that Gerdes instructed his team to 'leave no stone unturned' to look for possible savings potentials.


 Concerns have come up in Spain that the Government may reduce postal services in rural areas. The currently discussed bill includes exceptions from the universal service obligation e.g. for


'special geographic circumstances'.


 After Moya Greene, Canada Post's current CEO, was announced to succeed Adam Crozier as CEO of Royal Mail (CEP-News 23/10), a deep discord between the postal manager and the union has manifested itself. Denis Lemelin, president of the Canadian postal union CUPW, wrote in a bulletin that the news of Greene's departure would 'bring a sigh of relief' to some. He further called her 'a manager who didn't understand the social responsibility of a public corporation'. Another union representative said that Greene would be remembered for 'shortstaffing, overburdening, martial law and dysfunctional labour relations'.


 Helge Israelsen, Post Danmark's longtime Chief Executive Officer who stepped down last August (CEP-News 34/09) came under fire after his retirement. Compensations and bonuses of 900,000 euros sparked criticism.

 Smartphone users may send their photos as post cards with a new app from Austrian Post. The free application can be downloaded to mobile phones via Austrian Post's website, from the app-stores or via SMS.

 Social democrats, the postal union and the Liberal Party agree: The conservative government is paving the way for Canada Post's privatisation. The trigger is the elimination of Canada Post's monopoly on international letters, a measure in the new budget bill.


 Deutsche Post is satisfied with the development of its express and logistics business in the USA. On a meeting of the American Chamber of Commerce Chief Financial Officer Larry Rosen said, that business is currently developing very well.

 Poczta Polska prepares itself for an extensive relaunch of its corporate design.

 Germany's Association of Courier, Express and Postal Service Providers (BdKEP e.V.) recommended its members to apply for a exemption from VAT. On July 1 the new VAT law, which basically enables all postal service operators to offer VAT free letter services will become effective.



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](#) has reported that "It may be one of the more unpredictable election years in recent memory. But one thing about 2010 is all but certain: Members will be back after Nov. 2 for a lame-duck session. Democrats and Republicans alike are expecting to return to Capitol Hill to at least address some type of year-end omnibus appropriations bill, given that Congress still hasn't started marking up any of its regular spending bills and hasn't passed a budget."

 ***From the Federal Register:***

Postal Regulatory Commission

PROPOSED RULES

Postal Pricing Methods ,
34074–34076 [2010–14483]

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

Postal Service

RULES

International Mail Manual; Incorporation by Reference ,
34017 [2010–14493]


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


NOTICES


Intent to Prepare a Programmatic Environmental Assessment:

Proposed Mobile Fueling Operations, Nationwide ,
34182–34183 [2010–14491]

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

 The [Atlanta Business Chronicle](#) has reported that "Senior supply chain executives of major healthcare companies are divided about the changing business environment to be created by federal healthcare reform, according to a survey released Tuesday by Atlanta-based United Parcel Service Inc. About one in three executives surveyed by the world's largest shipper said reform could open up new markets and create new customers, but one in five said they were doubtful about their company's ability "to afford to operate." More than a quarter of executives said the healthcare overhaul would restrict research and development programs, while 22 percent of supply chain professionals said their companies did not have the infrastructure to compete. Still, the annual "Pain in the (Supply) Chain" survey revealed healthcare firms are plotting global expansion to develop new markets outside of the United States. The UPS (NYSE: UPS) survey also found that investments in supply chain are rising."

 [Postal Employees Network](#) has reported that "With the Postal Service facing another challenging year, employees must continue to focus on reducing workhours and operating expenses, according to DPMG and COO Pat Donahoe. And to help USPS achieve its FY 2010 budget, one of the primary goals is to cut 93 million workhours."

 [2nd Postal Industry Executive Forum](#) "Leveraging Information for Business Results" Hotel Parco San Marco, Lake Lugano ♦ 26 – 29 September 2010 www.parco-san-marco.com


 [2010 DoD Postal Symposium](#), Millenium Hotel , St Louis , MO





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


- [Assessment of Overall Plant Efficiency 2010 \(Report Number NO-MA-10-001\)](#). The Postal Service made substantial progress by reducing workhours in the network from the previous year. Plants that were the least productive in FY 2008 reduced over 18 million workhours (achieving 82 percent of the recommended workhour savings) and improved productivity by over 6 percent. Moreover, from Quarter 1 (Q1), FY 2009 to Q1, FY 2010, the Postal Service maintained or improved service. However, we found the Postal Service had not yet fully adjusted workhours in response to declining mail volume as a result of poor economic conditions, nor achieved all possible efficiencies in mail processing operations. We identified five major areas where the Postal Service could realize workhour savings: overtime hours; mail handling; automated and mechanized equipment; allied operations; and manual operations.


June 15, 2010


 [Business Daily Africa](#) has reported that "All mobile phone subscribers will from next Monday be required to register their SIM cards with their operators in a process meant to build a data bank of users to curb crime. Users have until July 31 to give their personal details such as ID number, date of birth **and residential address** or be blocked from using mobile phones."


 [Advertising Age](#) has reported that "U.S. consumer magazines will continue to earn increasing digital ad revenue over the next few years, but not enough to erase their troubles selling print advertising, according to the annual global entertainment and media outlook from PricewaterhouseCoopers. Print ad spending in U.S. consumer magazines is set to decline again in 2010, 2011 and 2012 before finally rebounding?]"

 **At the Postal Regulatory Commission: June 16, 2010 - Notice: Live audio broadcast of a public Prehearing Conference in Docket No. PI2010-3 will air at 10:00 a.m. on Wednesday, June 16. Links to the audio will be posted here approximately 10 minutes prior to the broadcast.**

 [Postal Technology International](#) has reported that "Wireless phones and services may be offered by Canada Post at its 6,500 retail locations nationwide in the future. This would include cellular handsets and plans, with future potential for phone deactivation, recycling, and bill payment options. This would be an expansion of Canada Post's existing phone-related products as the company already sells prepaid long distance and wireless airtime at its retail sites. Canada Post is considering all options for its expansion, and is interested in establishing a partnership agreement with one or more wireless service providers."

 *The Postal Service devours its young. Don't believe it? Go here: [Hot Link](#). "A house divided against itself cannot stand." -- A. Lincoln*


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


 According to [Media Daily News](#), "Two years ago, Reader's Digest Association was embarking on an aggressive tear to start new magazines while others were retreating in the recession. Today, it's just the opposite. While others are easing out of the downturn, RDA is in contraction mode as CEO Mary Berner tries to shore up the company post-bankruptcy."





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


- **Reducing the Number of Prices.** The Postal Service has more than 10,000 prices for its products and services. Should they keep pricing the same, streamline pricing or offer more pricing opportunities?


 [International Freighting Weekly](#) has reported that "Air cargo specialists are in an optimistic mood as they prepare to take advantage of a recovering market some believe is heading towards pre-recession levels of business."


 [IOM Today](#) has reported that "postal workers have moved a step closer to strike action following unsuccessful talks between their union and the Isle of Man Post Office."

 The [Sacramento Bee](#) has reported that "Thousands of mailed ballots too late to be counted in California."

 Now here's [a quote for you](#): "The Postal Service is like a public school system...." 'Nuf said.

 The [Postalnews blog](#) has a piece on "Board Of Governors Chairman Remarks On USPS Need To Act Like A Business." [Here's the source URL: https://liteblue.usps.gov/news/link/2010/nl_0614.htm which includes another link to http://www.usps.com/communications/newsroom/speeches/2010/pr10_lg_0609.htm]

 The [Nigerian Tribune](#) has reported that "Protesting retirees of the Edo territory of the Nigeria Postal Services (NIPOST), on Monday, paralysed commercial activities at two NIPOST offices located in Benin City, Edo State capital. They were protesting to register their grievances over the non-payment of their over 30-month pension benefits."

 **Press Release:** "BÖWE BELL + HOWELL (BBH) has announced expansion plans for a new customer excellence and demonstration center at its facility in Durham, N.C. This center will feature the widest range of inserting, sorting, software, vision and service offerings available today, and provide an opportunity for customers to meet with BBH industry experts. View the BBH video on YouTube at http://www.youtube.com/watch?v=bg3Z_Rmoww8 or visit www.bowebellhowell.com for more information. "

June 14, 2010


 **At the Postal Regulatory Commission:**

- The [Postal Regulatory Commission](http://www.prc.gov) has posted the list of witnesses scheduled to testify at the Chicago field hearing on five-day delivery.
- The next public monthly meeting of the Commission will be held on Wednesday, August 4, 2010 at 11:00 a.m. in the Commission's Main Conference Room, 901 New York Ave., NW, Suite 200. There will be no monthly meetings in July or September.




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


§ [Analyzing the Postal Service's Retail Network Using an Objective Modeling Approach.](#) The Postal Service Office of Inspector General worked with well-known real estate economist, Dr. Anthony Yezer, to analyze how the Postal Service's retail network would look if it were optimally reorganized. The model shows that, overall, the Postal Service's network has too many retail facilities located too closely together. In the larger cities, the number and size of retail facilities seems to be just about right. But, interestingly, in some high-density downtown areas, there may be too *few* facilities. In smaller towns and rural areas, the misalignment is more acute. The model suggests there are *too many* facilities too close together. The findings suggest that fewer larger facilities that are better staffed and are open longer hours could better serve the public while reducing cost.


 As one writer for [Salon](#) put it: "portions of the American journalism business -- newspapers, in particular -- have fallen on hard times that may, in many cases, be terminal. And we're hearing a chorus of calls for a taxpayer bailout of the industry, on the grounds that their journalism plays such a vital role in society that taxpayers should subsidize it directly. If we got serious about broadband in this way, entrepreneurs would almost certainly come up with the journalism, including a variety of business models to augment or replace today's, that would provide the public good we all agree comes with journalism and other trustworthy information.irect subsidies for journalism are the wrong way to go, even dangerous."





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


 [The Economist](#) has reported that "A year ago the mere survival of many newspapers seemed doubtful. It had become clear that the young, in particular, were getting much of their news online. Readers were flitting from story to story, rarely paying. Advertising too was moving online, but not to newspapers' websites. Rather, it was being swallowed by search engines. The classified-ad market was ravaged by free listings websites such as Craigslist. A deep recession, received wisdom had it, would surely finish off newspapers, which have high fixed costs in the form of journalists and printing presses. In some ways the pain proved even greater than analysts expected. The Newspaper Association of America reports that print and online advertising has fallen by 35% since the first quarter of 2008. Circulation has dropped alarmingly too."


 [Post & Parcel](#) has reported that "PosTech, the industry leading postal technology conference, is heading to India this year, taking place in New Delhi in December. Triangle Management Services, event organiser, has today announced that the 2010 event will take place between 5-7 December. The New Delhi conference will be the third in the series of PosTech, the unique global postal technology event that addresses the key issues technology raises in the postal industry, how these can be tackled and the profitable solutions that can be implemented."


 The [Budapest Business Journal](#) has reported that "The government will strive to reopen small post offices and restart railway passenger services on branch lines in places where it is necessary to stimulate economic growth, enhance rural development and keep the local population in place, in the summer, National Development Minister Tamás Fellegi told MTI. Under a modernization program started years earlier, state-owned postal company Magyar Posta shut down small post offices in hundreds of villages and replaced them with mobile services. Such services currently operate in 946 communities."

 [Marketing Daily](#) has reported that "Credit card reform legislation is impacting not only the revenues of credit card companies, but ad expenditures and messaging, according to a Kantar Media study."


 [Business Week](#) has reported that "Deutsche Post AG, Europe's biggest postal service, rose the most in two weeks in Frankfurt after WirtschaftsWoche reported that the German company plans to save 1 billion euros (\$1.2 billion) at its mail unit. The savings target, set for the next 12 months, is about five times more than previously projected, according to the weekly magazine. Deutsche Post may eliminate mail delivery on Saturdays and former unit Deutsche Postbank AG could pay more than 100 million euros for 277 of the 350 postal outlets Deutsche Post may sell, the magazine said."


 [Dow Jones](#) has reported that "Japan's former minister for banking and postal services Shizuka Kamei said Monday that the new administration under Prime Minister Naoto Kan should prioritize passing a postal reform bill in the next session of parliament."


 According to one writer for the [Portland Press Herald](#), "The Postal Service has the world's third-largest computing infrastructure, including more than 5,000 remote locations that receive Internet service via satellite. Surely, this impressive capacity could be re-envisioned in productive way. Americans will always need to communicate with one another via paper and printed materials and will need to ship parcels even when they are ordered on the Internet. Our postal system should stay true to its original mission and remain a public utility, and our government should work toward maintaining it as a job creator by maximizing its substantial potential."


 [Hellmail](#) has reported that "The Finnish postal service (part of the Itella Group) has announced that a cooperation agreement with Suomen Verkkomaksut Oy (Finnish Online Payments) will make invoices via Itella's NetPosti available in most Finnish online stores. Customers can receive the invoice for his or her online purchases directly to his or her NetPosti service. Suomen Verkkomaksut, the leading Finnish online payment solutions provider, serves more than 1,500 Finnish online stores."


June 13, 2010


 [The Hindu](#) has reported that "Innovative thinking is essential to outdo the performance of the best in the sector, said Andhra Pradesh North Eastern Region Postmaster-General Sharda Sampath while presenting the Regional Excellence Award-2010. Out of the 8,000 staff members, all cannot be of the same attitude. And if they get bogged down by differences, productivity would come down, leading to missing of the targets, she opined, and advised them to think 'out-of-the-box' solutions for any problem they faced at work so that achieving goals would become a cakewalk."


 The [Times of India](#) has reported that "The department of posts has launched a new pension scheme (NPS), with effect from May 2010. Any citizen of India in the age group of 18 to 55 years can join this scheme and contribute till the age of 60 years. This scheme is made available to the general public on behalf of Pension Fund Regulatory and Development Authority (PFRDA)."


 The [Daily Mail](#) has reported that "As per direction of the government regarding opening of smart and small post offices at union council level and at prominent places, 176 new post offices have been opened throughout the country. An official of Postal Services ministry told that counter automation of 100 general post offices including computerization for data digitization has been made."

 According to [Hellmail](#), "Switch Media, an established Internet Service Provider, has reduced its mail overheads by 36 per cent by using leading desktop to doormat delivery solution, imail, to send physical letters direct from a computer to business addresses."


 The [Sunday Nation](#) has reported that "The Postal Corporation of Kenya (PCK) has to retrench [layoff] at least 2,000 employees to remain afloat and profitable. The parastatal, which employs an estimated 4,500 people, is weighed down by a Sh2 billion debt to pensioners and other creditors." *[EdNote: Can you imagine that? They have the brains to understand the necessity of lay-offs in the face of business declines in Kenya, but here in the U.S. we don't dare ask for a similar flexibility from our precious postal unions. Why bother, when you can always put it to the customer?]*


 The [Columbus Dispatch](#) has reported that "**A group of Postal Service employees in Columbus spent five days in late May and early June being paid to do no work.** A supervisor told them to stay in an area of the processing and distribution center near Port Columbus. The nine men played cards and took naps. One of them brought in coloring books, and they had a contest to see who could make the prettiest picture. They all earned their regular wages, \$20.58 to \$26.34 per hour." *[EdNote: And no one in Congress is having a cow? What goes on here? Oh, I get it. All will be made right when customers get screwed with exigency rate increases. THAT, I suppose, this Congress will allow.]*


 [BruDirect](#) has noted that Brunei's acting deputy PMG now believes that "the long established culture of how we conduct our business is no longer relevant once our secured monopoly in the postal sector is challenged by competition from a changing market, a growing electronic market and advanced technologies as well as changing customer taste. Perhaps what we can do now is to go along with these changes instead of resisting them which will be counterproductive."


 The [Japan Times](#) has reported that "Internal Affairs and Communications Minister Kazuhiro Haraguchi vowed Saturday to pass a bill to roll back the planned privatization of state-owned Japan Post Holdings Co. through the Diet after the upcoming Upper House election."


June 12, 2010


 [Nikkei](#) has reported that "The government on Friday afternoon tapped Shozaburo Jimi, secretary-general of the People's New Party, as minister of postal reform and financial services. He will officially take up the post at an attestation ceremony later the same day."


 From [PRWeb](#): "In a remarkable "hat trick," the "Simpler Way to Ship" campaign created by C-E (Campbell-Ewald) for the United States Postal Service (U.S. Postal Service) was awarded a Silver Effie for marketing effectiveness by the American Marketing Association. This award comes as the campaign also receives top marketing honors from the Ogilvy Awards and MediaWeek."


 The [Sunday Observer](#) has reported that "The postal service is to be developed to suit present day needs by infusing modern IT technology to Post Offices under a flagship program formulated by the Post and Telecommunication Ministry to provide a more efficient postal service to the people. There are nearly 23,000 employees in the postal service, while 6500 Post offices and Sub Post Offices are functioning countrywide. Nearly 26 trade unions operate in the postal sector. The assistance of these employees and postal sector trade unions will be sought to develop the postal service which is considered as one of the oldest state institutions, said Post and Telecommunication Minister Jeewan Kumaratunga."


 [Press Release](#): "Leading legal directory publisher Chambers has given Washington-based Venable LLP its annual Award for Excellence this year in the Advertising and Marketing Category. The award was presented June 10 in New York, coinciding with the release of the 2010 edition of Chambers USA. This is the second straight year that Venable has taken an Award for Excellence – which honors firms doing the most cutting edge legal work in a given area of law. The firm's Privacy & Data Security group, which works closely with Venable's advertising clients on interactive advertising issues, won the honor last year. Venable is among the leading firms in both the Advertising: Litigation and Advertising: Transactional and Regulatory categories in the Chambers guide, which will be released on June 11. Venable was also ranked among the nation's top advertising firms in the recently released Legal 500 guide. Long known as one of the nation's top law firms for advertising litigation, regulatory compliance and government affairs work, Venable represents a wide portfolio of leading advertisers, direct marketers, consumer products companies and associations serving those industries."


 According to [Reuters](#), "Investors will be watching when FedEx reports its fiscal fourth-quarter results on Wednesday, eager to learn what the world's largest express cargo airline is seeing in its international business."


 The [Postalnews Blog](#) has reported that "The White House announced this week that it was withdrawing the nomination of Paul Steven Miller to be a member of the US Postal Service Board of Governors. Miller, a disabilities rights activist and expert on anti-discrimination law, was nominated in February to the seat currently occupied by Carolyn Lewis Gallagher, whose term expired in December. No explanation for the withdrawal was given."
[EdNote: Well, that just leaves Vice President Biden's fund raiser as the remaining "highly qualified" individual to serve on the board of the federal government's largest corporation. So tell me . . . Why did we bother writing in qualifications for prospective governors into PAEA? So we could ignore them?]

 [Business Week](#) has reported that "Deutsche Post AG aims to save 1 billion euros (\$1.21 billion) within a year at its mail unit, about five times more than it had previously targeted, WirtschaftsWoche reported, citing unidentified people close to the German postal company. **Deutsche Post may eliminate mail delivery on Saturdays** as part of the plan, according to the weekly magazine. The mail unit, the company's most profitable, is accelerating the cost-savings effort as it faces increasing competition, WirtschaftsWoche said."

 [Occupational Safety & Health](#) has reported that "OSHA has cited the U.S. Postal Service for workplace safety violations related to electrical hazards found at two Philadelphia facilities after receiving complaints about both locations. Combined proposed penalties total \$497,000." *[EdNote: Don't worry. We'll have mailers pick up the cost of that when the exigency increases go through.]*

 [Hellmail](#) has reported that:

 The [Royal Mail has requested a suspension](#) of the Bulk Mail Compensation Scheme for the year 2009-10 after bulk mailings were disrupted by industrial action last year, due it said, to its transformation scheme. Royal Mail will present its application at a meeting hosted by Postcomm on 22 June.

 Croatia Post Inc has announced a profit of over 4.6m Euros (HRK 33.6m) for the first quarter of 2010. Expenditure was reduced by almost two percent in the same period. It closed the previous year with an operating profit of HRK 167m after many years of operating with a financial loss.



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

- The Board of Directors of the Association for Postal Commerce (PostCom) held its spring meeting this past week. There were a number of topics that were discussed by the board, some of an internal organizational nature and many of a more significant postal policy or postal operations nature. The Association for Postal Commerce also used the occasion of its spring meeting to present its J. Edward Day Award, its highest

honor, to the National Association of Letter Carriers in recognition of the enormous public service the NALC has rendered this nation through its annual drives to collect food for the nation's hungry.

- The U.S. Postal Service Office of Inspector General (OIG) provided its report for the first six months of Fiscal Year 2010. The OIG said it "conducted 1,992 investigations that lead to 393 arrests and more than \$1.3 billion in fines, restitutions, and recoveries, of which nearly \$21.5 million went to the Postal Service." The OIG also provided several studies, including the CSRS pension fund overcharge.
- The Wall Street Journal reported that the largest envelope manufacturer in the United States has filed for bankruptcy. The bankruptcy filing indicated that the company had between \$100 and \$500 million in both assets and liabilities. The financial challenges that caused the company to close these four facilities and now file for bankruptcy reflect the decline in the demand for mail and therefore the envelopes that the company produces. The envelope manufacturing firm is not alone in requiring significant consolidation of capacity.
- Dead Tree Edition wants to know "Why do Postal Service officials sing the praises of the Intelligent Mail barcode and then not use it on their own mailings?"
- House six-day resolution gains sponsors. A new association on global address data. A Postal black hole. A majority favor five-day.
- An update on postal rules and notices published in the Federal Register.
- PRC investigates volume estimates from incentive programs.
- An update on USPS issued DMM advisories.
- An update on business before the Mailers Technical Advisory Committee.
- A review of recent reports released by the U.S. Postal Service's Office of the Inspector General.
- A review of postal news from around the world.
- Postal previews.

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



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


 [Multichannel Merchant](#) has an interview on: "USPS's Susan Plonkey on Fixing the Postal Service."

June 11, 2010




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


- [Benchmarking Best Practices with Presort Bureaus \(Report Number EN-MA-10-004\)](#). In looking for best practices, we found that presort mailers streamlined their networks with little stakeholder resistance, consistently used tray takeaway systems, and maintained a flexible and lower paid workforce.
- [Color-Coding of Standard Mail® and Mail Condition Reporting in the Northland District \(Report Number NO-AR-10-006\)](#) The Northland District1 was not properly color-coding or reporting delayed mail. Once we brought proper color-coding and mail condition reporting procedures to management's attention, they took immediate corrective action to have employees properly tag the mail and accurately report mail conditions.

 **DMM Advisory: Escalation Process for Mailers.** On occasion, the Postal Service™ receives inquiries from mailers about who they should contact when they cannot get questions resolved at the acceptance unit of their business mail entry office. This DMM Advisory provides the escalation process and contact information to assist mailers in getting their questions answered as quickly as possible. For questions concerning business mail preparation or acceptance, mailers should always consult first with the local Post Office® or Business Mail Entry Unit where they hold their permits and deposit their mail. A BME Supervisor or Postmaster can be a good resource for information and assistance. If you have questions regarding mailpiece design, contact your local Mailpiece Design Analyst. You can search by using the [Mailpiece Design Analyst Lookup](#).

The first step in escalating an issue or concern is to contact your District Business Mail Entry Manager. You can search by using the [District Business Mail Entry Locator](#). If you are unable to resolve your issues, you can escalate to the local District Marketing Manager. Marketing Managers and their Districts' 3-digit ZIP Codes are listed on [RIBBS>Business Mail Acceptance](#), under Important Links. Mailers with Detached Mail Units (DMUs) and/or Special Postage Payment Systems may contact their District Business Mail Entry Manager. If unresolved they should contact their Business Mailer Support (BMS) Analyst. A list of BMS Analysts can be found on [RIBBS>Business Mail Acceptance](#), under Important Links.

The next step in the escalation process is the Area Marketing Manager. You can find contact information on [RIBBS>Business Mail Acceptance](#), under Important Links. If you feel that your concerns have not been addressed and you want to escalate it further, send an email to MailerSOXConcerns@usps.gov to have your issue addressed at the Headquarters level.

 **DMM Advisory: Electronic Documentation with Comailed and Copalletized Mailings – Comment Period.** The *Federal Register* notice proposing new DMM® standards for *Submission of Electronic Documentation with Comailed and Copalletized Mailings* was posted today on Postal Explorer® at pe.usps.com. This proposed revision would require mail owners participating in a comailing or copalletization process for letters or flats to use an approved method to prepare electronic documentation to support their mailpieces, and would require consolidators to electronically submit documentation to the USPS® by an approved method. We encourage customers to review and comment on or before July 7, 2010


 The Board of Directors of the Association for Postal Commerce (PostCom) held its spring meeting this past week. There were a number of topics that were discussed by the board, some of an internal organizational nature and many of a more significant postal policy or postal operations nature. There were several resolutions that were approved by the board as far as the latter were concerned. Here is a summary of those resolutions:

- That the Association for Postal Commerce request that the U.S. Postal Service provide feedback on their internal review of the refund process to the Mailing Industry in the form of a "DMM Advisory". Specifically, that the feedback include a process flow for the current process and indicate any changes and when the changes, if any will be implemented. Furthermore, that the U.S. Postal Service provide statistics on the number of refunds processed.
- That the Association for Postal Commerce should request the U. S. Postal Service to indicate who within the Postal Service is authorized to provide written approvals for mailpiece designs, mailpiece formats, mail preparation and verification agreements that will be upheld as valid and supported by all areas of the USPS.
- That the Association for Postal Commerce, individually and in concert with others, vigorously oppose the Postal Service filing for exigent postal price increases, and to petition Congress to take action this year to implement the recommendations in the Postal Service OIG report to repay or credit the USPS and rate payers with the \$75 billion overpaid for retiree benefits.

The board approved the first dues change in eight years by authorizing a modest increase in the top and bottom membership dues tiers. [More information will be provided directly to all PostCom members.]


The Association for Postal Commerce also used the occasion of its spring meeting to present its J. Edward Day Award, its highest honor, to the National Association of Letter Carriers in recognition of the enormous public service the NALC has rendered this nation through its annual drives to collect food for the nation's hungry. The award was presented by PostCom Chairman Joseph Schick and was received by the National Association of Letter Carriers President Frederic Rolando and the food drive's architect and administrator, Drew Von Bergen.





 [H. Res. 173](#), a resolution that expresses "the sense of the House of Representatives that the United States Postal Service should take all appropriate measures to ensure the continuation of its 6-day mail delivery service" now has 209 co-sponsors. This is a clear sign that the Postal Service will *not* win congressional approval for reducing the number of days of mail service from six to five. [*And that's the name of that tune.*]


 **At the Postal Regulatory Commission:** Two employment opportunities at the PRC:


- Data Miner: http://www.prc.gov/PRC-DOCS/EMPLOYMENT/final%20Data%20Miner%206-2010_rev_1017.pdf
- Economist: http://www.prc.gov/PRC-DOCS/EMPLOYMENT/final_OAC_ECON_06-2010_1018.pdf

 According to [Overnight Prints](#), "While Mintel Comperemedia recently reported direct mail was up in the insurance and credit card industries, this doesn't mean those are the only businesses that can utilize the marketing platform for success. According to a recent article from B2C Marketing Insider, an Ohio-based driving school was able to achieve an 831 percent return on investment with a postcard direct marketing campaign."


 [Tribune Magazine](#) has reported that "Royal Mail's new chief executive has been denounced for presiding over "dysfunctional labour relations" by the Canadian Union of Postal Workers."


 [Hellmail](#) has reported that "There are several reasons why the Royal Mail has become an important issue for government, but ironically part of Royal Mail's problems extends from lack of support at a time when previous governments were happy to reap the benefits of more profitable years. This, combined with a decline in letters, a growing pensions deficit, intense pseudo-competition from 'postale liberalization' and responsibility for providing the universal service, have all put the Royal Mail under enormous strain. Unfortunately any realistic hope of maintaining the service with state support has all but been eradicated under strict European anti-competitive laws which form part of the liberalisation plan, compounded by a national economic deficit which will leave us in debt for years."

 [Nikkei](#) has reported that "Finance Minister Yoshihiko Noda said Friday morning the postal reform bill, which is expected to be submitted again to next extraordinary Diet session, will largely remain the same. "It is unlikely the bill will be significantly revised because it was put together as the government policy," Noda said at a news conference after a cabinet meeting. "Although it didn't pass during the current session (of the Diet), it will (be passed) at the earliest possible opportunity," he said." See also [Bloomberg](#) for more postal news from Japan.

 [WBOC](#) has reported that "Employees at the Easton Distribution and Processing Plant continue to fight to make sure their facility stays open. Many employees are responding to a flyer, put out by the U.S. Postal

Service that says "customer service and prompt mail deliver will not suffer" if the Easton facility closes and all mail is processed in Baltimore."

 The [Washington Post](#) has reported that "The top U.S. Postal Service official for the Washington region is out of a job after an incident last week in Sterling involving a female postal worker. Jerry D. Lane had served as vice president of operations for the Capital Metro Area since 2006. Lane, based in Gaithersburg, visited the Dulles Processing and Distribution Center in Sterling on June 1 and allegedly argued with the building's manager, Kathleen J. Michaels. The Loudoun County Sheriff's Department responded to a 911 call at the building about 2 p.m., said spokesman Kraig Troxell. Michaels filed misdemeanor assault charges on June 3 and Lane was issued a summons to appear in Loudoun General District Court on June 17, according to court records. USPS Spokesman Gerald McKiernan said Lane "separated" from the Postal Service on June 3, but could not say whether he was fired or resigned, citing personnel policy and privacy concerns."


 The [Courier, Express, and Postal Observer](#) has note that "The Wall Street Journal reported that the National Envelope Company, the largest envelope manufacturer in the United States filed for bankruptcy today. The bankruptcy filing indicated that the company had between \$100 and \$500 million in both assets and liabilities. The financial challenges that caused National Envelope to close these four facilities and now file for bankruptcy reflect the decline in the demand for mail and therefore the envelopes that National Envelope Company produces. What National Envelope Corporation's bankruptcy says to postal stakeholders is that mail volume declines, particularly in single-piece first class mail and flat shaped mail across all classes, may not allow the Postal Service to use painless ways to reduce capacity. The decline in mail volume, combined with improvements in mail automation, means that the number of employees that the Postal Service needs is declining at a rate faster than the rate of attrition. Similarly, the number of plants that the Postal Service needs may be declining faster than the rate that real estate leases are expiring."


June 10, 2010


 Check out the [Global Address Data Association](#). The first report on progress in forming the association has been posted on the home page at www.prescottreport.com and on the new website of the association at www.globaladdress.org. The report details the aggressive work agenda set out for the coming six months.


Mailers' Technical Advisory Committee (MTAC)


The following was sent to all MTAC members by USPS co-chair Stephen Kearney: "By now, you may have received a notice from Jordan Small, our vice president of Network Operations, announcing we are taking steps to improve the way we monitor our postal pallets as they move through the system. Under the new policy, we will equip some of our pallets with global positioning devices (GPS). With this technology, the Postal Service will be able to track GPS-equipped pallets whether they're outdoors, inside buildings or in vehicles. We tested this technology in 2008 with good success. Why are we doing this? The Postal Service spends \$40 million a year on replacement pallets that are loaned to customers and can save millions each year just by doing a better job of managing its Mail Transport Equipment (MTE). So installing GPS devices in a small percentage of our pallets will help us — and you — significantly. Since it's possible some of the GPS-equipped MTE may find its way into your facility, it's important for you to understand these pallets are no different than any other — they can be used in exactly the same way you would use any other pallet. You should also understand our only reason for tracking these pallets is to know where they are and where they're going. Operations is asking for access to the facility if the need arises to retrieve the GPS-equipped pallet. But gaining that access will be worked out locally with the understanding that, in many cases, it will mean making an appointment and being escorted to the pallet. Jordan has asked users of postal pallets to sign a form indicating you understand our policy and our intentions. Thanks for returning the form as soon as possible. We're going to invite Jordan to brief you on this policy at our next MTAC meeting. In the meantime, if you have any questions, please call Jim Hardie, Manager, MTE, at 202-268-4502. He will work with you if you have any issues or concerns."


 [Reuters](#) has reported that "Formal talks between Spain's government, unions and business ended with no agreement on labour reforms on Thursday, but the government said it was confident of pushing the measures through parliament this month. The reforms, aimed at loosening a rigid labour market, are seen as essential to ensuring Spain's long-term economic recovery and to ease market fears of a Greek-style debt crisis."


 [Media Daily News](#) has reported that "Confirming what most people already suspect, a new Rasmussen Reports poll found that a majority of Americans oppose any kind of taxes or fees to subsidize the ailing newspaper business."


 According to the [Wall Street Journal](#), "Few things in life are certain beyond taxes and death. In Japan, add Shizuka Kamei to that list. While ink flowed freely over the new ministers in incoming Prime Minister Naoto Kan's administration, the gruff Banking Minister Kamei remained rock-like in his post, and his drive to reform the country's postal service — his way, whether it suits international observers or not. And while some have speculated that Messrs. Kamei and Kan might diverge on economic policy, the 74-year-old cop-turned-minister, plain-speaking as ever, said he isn't going away any time soon."


 [Zawya](#) has reported that "Direct marketing business in the region has a chance to grow to global levels in the next five to seven years, making the best of advertising budget cuts to lure advertisers to more direct and effective ways, said direct marketing expert Yousuf Hamidaddin, CEO, Acxiom Mena. Translated to figures, this means an expected growth to a 6.7 per cent market share in the next five years, said Hamidaddin."


 According to [NZCity](#), "Prime Minister John Key says he will need some convincing before he sees the need for major changes to New Zealand Post's services. The company's options include cancelling Saturday postal delivery services, delivering mail every second day, increasing prices and charging more for premium letters. Mr Key says most people rely on electronic mail these days but not everyone. He insists there is still a desire for mail to be delivered six days a week. Communications Minister Steven Joyce has said NZ Post has an obligation to hold certain levels of services, including six days a week deliveries."


 [Voxy](#) has reported that "New Zealand's largest postal sector union, the Engineering, Printing and Manufacturing Union (EPMU), says cutting the number of delivery days won't increase New Zealand Post's revenue. The EPMU, which represents 4,500 New Zealand Post workers, including 2,500 Posties and mail sorters, says the answer is to increase the SOE's income. "The challenge for New Zealand Post is to increase the number of small, higher revenue generating items that it delivers, such as letters, packets, small parcels and tracked items," says EPMU national postal coordinator Anna Kenny. "Delivering post on fewer days should not be at the expense of cutting wages, especially when most New Zealand Post delivery staff work six days a week," she says."


 [Supply Chain Review](#) has reported that "Materials handling systems provider Crisplant will install Turkey's first automatic tray handling system for processing mail. Crisplant has been awarded a contract by the Turkish General Directorate of Post and Telegraph Organisation (PTT) to install a complete automatic tray-handling system designed to increase security, efficiency and ergonomics. Working in partnership with Systec Sistem Teknolojileri A.Ş, a local provider of smart card and mail systems, Crisplant will provide a safe and energy efficient working environment for staff at the PTT's postal sorting centre near Istanbul."


 [Billing World](#) has reported that "The black hole of the United States Postal Service is not theoretical. Nor is the revenue lost over its event horizon due to the uncertainties and duplication created by the unknown variables of mail-delivery status. Kevin Conti, director of mailing solutions at Pitney Bowes Business Insight, delivered his own message Wednesday at the Billing & OSS World Conference & Expo about eliminating that black hole. And it was free of the uncertainty of messages delivered by the USPS. His message was unambiguous: Billers are wasting too much time, money and resources on redundant, inaccurate and unknown factors regarding the disposition of a piece of mail."


 According to [FinFacts](#), "One recent study conducted by the European Commission estimates that companies using electronic and automated invoice processes can achieve savings of 80% over their postal counterparts."


 [The Telegraph](#) has a story on: "Royal Mail's privatisation: how it might happen and what it could mean for Royal Mail." See also "[The Royal Mail: a history of the British postal service](#)."


 [Nikkei](#) has reported that "Azuma Koshiishi, leader of the ruling Democratic Party of Japan upper house caucus, said Thursday it would be better if the DPJ's coalition partner, the People's New Party, waited until after the summer upper house election to try to pass postal reform legislation."

 [Business Week](#) has reported that "PosteMobile SpA, the Italian postal service's mobile-phone operator, sees its sales exceeding those at rival 3 Italia SpA in three to five years."


 [Invertia](#) has reported that "approximately 65,000 postal employees have been called to observe another day's 24-hour strike called by CCOO, CGT, CSI Free Union in defense of the universal postal service and its "full" financing by the State.


 [Target Marketing](#) has reported that "If not run properly, taking advantage of the current technologies and knowledge, a direct mail program can lose serious money, especially in this economy. Recently, at a Philadelphia Direct Marketing Association event, a panel of list and data, production, and postal experts got together to discuss how today's direct marketers can mail smarter."


 [The Toronto Sun](#) has reported that "Canada Post says it wants to diversify its business activities by offering cell phones and wireless service plans in its 6,500 locations across Canada. The Crown corporation is currently looking into possible partnerships with telecom giants Bell and Rogers."


 [The Telegraph](#) has reported that "Royal Mail could be sold in a £9 billion stock market flotation that would be the biggest privatisation for more than two decades."


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


 Posten Norge intends to merge its IT division Ergo Group (turnover 2009: around 653m euros, EbitDA 68.2m euros) with EDB Business Partner ASA.


 In March Poste Italiane announced growing turnover and earnings for the year of crisis 2009 (CEP-News 12/10). The recently published annual report shows that this was only a half-truth as the post achieved growth only in its financial services and insurances business. The traditional postal operations partially faced considerable losses.


 Chinese express and postal services remained on their course for growth in 2010. According to information from the regulating authority turnover on the Chinese express and postal market increased by 4.3% to 3.95bn euros from January to April.

 Spanish postal unions CGT, CCOO and CSIF reaffirmed their call for a nationwide strike on Thursday this week. The unions want to protest for maintaining the universal service on the current level. The unions also demand that the state should fully fund the USO. The employee representatives' main goal is to safeguard jobs.

 Swiss Post International (SPI) wants to win over tourism companies in Austria as new customers with a web portal for catalogues especially designed for the tourism industry.


 Deutsche Post will reduce sorting shifts during summer in several sorting centres. This measure is a reaction to shrinking mail volumes during the summer holidays. The Bonn-based concern will also reduce mail shot delivery at the same time.


 Pos Malaysia faces declining profits while revenue stagnated in the first quarter 2010.

 Irish An Post and the National Irish Bank (NIB) will co-operate on cash services in the future.



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

 [TVNZ](#) has reported that "The Postal Workers Union thinks pressure from the government is behind proposed moves to overhaul New Zealand Post. The State Owned Enterprise (SOE) is considering plans like heavier sacks for posties and reducing the number of days they make deliveries."


 The [Memphis Commercial Appeal](#) has reported that "FedEx Express president and CEO David Bronczek is the new chairman of the International Air Transport Association board of governors."




AUDIT ALERT: The U.S. Postal Service Office of Inspector General has started three new audits on the following projects:


- [10XG023NL000 - The Evaluation of Major Transportation Technology](#) Initiatives was started to assess the planning, implementation and results for major transportation technology initiatives such as Postal Vehicle Service - Management System (PVS-MS), Surface Visibility, Transportation Optimization System, and Yard Management System.
- [10XG040NO000 - Review of the Wilkes-Barre \(PA\) Processing & Distribution Facility Consolidation](#) was started to assess the operational impacts of the consolidation and compliance with established polices and guidelines.
- [10BM001FT002 - Territorial Cost-of-Living Allowance \(TCOLA\)](#) was started to determine whether the Postal Service complied with the Postal policy related to TCOLA on a portion of the FY 2010 Postal Service Financial Statements Audit- Eagan Information Technology/Accounting Service Center .


Comments and suggestions on other ongoing audit projects can be made by visiting the Audit Project page at http://www.uspsoig.gov/audit_project.cfm. You can visit Office of Inspector General's public website at: www.uspsoig.gov. For the latest information, follow us on Twitter at <http://twitter.com/OIGUSPS> and join us on Facebook at <http://www.facebook.com/oig.usps>.


 The [Copenhagen Post](#) has reported that "Most postal deliveries have ground to a halt in Copenhagen and parts of Zealand and Funen because the drivers who normally transport mail to distribution centres have gone on strike. The mail is now stranded at these centres and cannot be delivered."


 [Transport Intelligence](#) has reported that "DHL Express has announced it is recruiting several hundred workers at its principal hub and gateway at the Cincinnati/Northern Kentucky Airport. Positions include package sort, ground and ramp operations. DHL Express expects to hire 200 workers this month at its hub, continuing recruitment efforts in July to hire an additional 100."

June 9, 2010


 [Hellmail](#) has written, "By following the EU Directive, Royal Mail has been placed in an unnecessary and impossible position. The governments during the period of the growing pension deficit have never replaced the money previous governments withheld from RM which should have been paid into the fund, thereby creating the deficit. If privateers had been allowed into the postal market in the UK without unfair and punishing subsidies obliged upon RM, the company would be a net contributor to the national economy able to provide its pensioners with the benefits members are legally contracted to enjoy. The governments of the period have essentially broken the contract with their own employees in order to facilitate privatisation by the back door, as intended or otherwise. If our national government had stood up for its own interests, and honoured the members by paying into the fund as it should have done during this time, we would not now be in this position."


 [Dead Tree Edition](#) has reported that "A majority of the people who contacted the Postal Regulatory Commission in April and May about ending Saturday mail delivery favor the proposed change, the commission revealed today. The commission's staff categorized 2,116 comments as "OK with change in service" and 1,691 as "opposed to change in service," according to a report released today. Nearly 10% of the respondents favored delivery of four or fewer days. Public opinion polls also indicate a slight majority of people favor eliminating a day of delivery rather than raising postage rates to address the Postal Service's financial problems. Still, the 56%-44% edge for five-day service in the PRC comments is surprising."

 [Economic Times](#) has reported that "State-owned 'India Post' has earned just about Rs 2 crore by selling mutual funds last fiscal. The national distributor with some 800 postal outlets selling mutual funds has logged its worst numbers in four years. The department has stopped selling mutual fund schemes of four out of five fund houses with which the department has exclusive distribution tie-ups. According to senior officials, India Post is only selling mutual fund schemes of UTI Mutual Fund; the department has severed ties with Principal MF, SBI, Franklin Templeton and Reliance Mutual Fund as it could not reach an agreement on commission payout for distributor services."

 [Dow Jones](#) has reported that "The U.S. government must offer incentives to domestic businesses to help meet President Barack Obama's goal to double exports over the next five years, a senior United Parcel Service Inc. (UPS) executive said Tuesday. "There have to be incentives for U.S. businesses to develop products to be sold in different parts of the world," Daniel Brutto, president of UPS International, told an industry conference."

 **At the *Postal Regulatory Commission*: [Docket No. RM2010-9](#).** Notice Of Proposed Rulemaking Concerning Methods To Estimate Volume Changes Caused By Pricing Incentive Programs


 The [Daily Star](#) has reported that "Postal operators in the Mediterranean region must integrate their markets in order to increase their overall efficiency and stimulate business; LibanPost's managing director Khalil Daoud said during the opening ceremony of a meeting at Beirut's Movenpick Hotel on Tuesday. "The postal sector [in the Mediterranean] still lacks a regional policy, specific projects and initiatives, cooperation between neighboring postal unions and sufficient sources of funding," said Daoud. The two-day meeting – which is attended by heads of postal operators from 15 countries in the Mediterranean – aims to push forward a plan that is as ambitious as it is necessary: to increase the efficiency of their postal services by unifying rules and procedures."

 [Politico](#) has reported that "The Postal Service says it has ended an apparently endless back-and-forth over controversial Republican National Committee "census" mailings by telling the committee to "cease and desist" from sending future such documents. The mailings labeled "Congressional District Census" were a long-running, and lucrative, GOP direct-mail fundraising tool but came under bipartisan fire from members of Congress concerned they would be confused for the real census this year, and Congress unanimously passed a bill barring mailings with the word "census" printed on the envelope. The RNC altered the mailing mailer featured the word appearing through a transparent "window" in the envelope, however, and Congress passed a second bill closing that loophole. "[T]he RNC should, in the future, cease and desist from mailing the referenced subject materials and should ensure that future mailings are in full compliance with applicable statutes," a Postal Service official, Sheila Meyers, wrote New York Democratic Rep. Carolyn Maloney and Republican Reps. Jason Chaffetz and Darrell Issa. The Postal Inspection Service "has addressed this issue directly with the RNC," Meyers wrote."




The U.S. Postal Service Office of Inspector General recently posted its October 1, 2009 to March 31, 2010 Semiannual Report to Congress on its website at www.uspsoig.gov.

June 8, 2010

 "The USPS Office of Inspector General (OIG) has assured the APWU that the union's views on "workshare discounts" will be considered in an upcoming examination of the controversial practice. Inspector General David C. Williams offered the commitment after President William Burrus criticized the OIG for excluding postal unions from providing input for the report." [EdNote: What a crock! The OIG didn't need and doesn't need any suggestion from the APWU president on how to conduct a fair and impartial review.]



A new report has posted on the *U.S. Postal Service Office of Inspector General* 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. [Facilities Optimization: Controls Over the Selling of Assets \(Report Number DA-AR-10-004\)](#)


 [YNet News](#) has reported that "The Association for Civil Rights together with 15 Jerusalem residents filed a petition with the High Court of Justice Tuesday against the Israel Postal Company, the Communications Ministry and the Jerusalem Municipality claiming that the Postal Company does not distribute mail to all east Jerusalem residents."





[UPS](#) has announced enhancements to several technology tools that simplify the use of multiple transportation modes and give importers more control over shipments.





As [Forbes](#) has noted, "It may look decidedly unsophisticated on the outside, but the IT infrastructure behind the brown UPS box is one of the most sophisticated operations on the planet."


 From [Marketwire](#): "Stamps.com®, the leading provider of postage online and USPS shipping software solutions for approximately 400,000 customers, today announced its new USPS shipping integration with Zen Cart, the popular open source e-commerce shopping cart software. With the new Stamps.com integration, Zen Cart users can import customer order data and print shipping labels for all USPS mail classes, domestic or international. Plus Stamps.com will automatically post order status details (tracking number, ship date, mail class) back to the Zen Cart database."


 The [Burton Mail](#) has reported that "a rookie postwoman unable to cope with her round dumped bundles of mail at the town's recycling centre, a court has heard. Lucy Mansfield was sacked after only 11 weeks in the job when opened packets were found at her home, Stafford Crown Court heard."


 From [PR Web](#): "Window Book's industry leading Post-Presort software, DAT-MAIL™, makes it much easier to manage postal data uploads and downloads from PostalOne! with a new add-on module, MD Client Manager. This exciting new feature helps mailers track the status of their jobs in an automated manner. MD Client Manager leverages the power of the PostalOne! Mail.dat Client batch mode system by automatically moving and uploading your Mail.dat files and extracting valuable information from the Client, Debug and Validation log files in real-time. This information is then stored for easy reference and use by other functions in DAT-MAIL."


 [Hellmail](#) has reported: that


 About 10% of retail customers' and small companies are using [Estonia Post's new web environment kuller.post.ee](#), which opened last month. Parcels are divided into three weight categories and the formalization of the address card and payment can be made on the web site. The service allows customers to book a collection without the inconvenience of queuing at a post office. Parcels can also be tracked via the site. More than 800 000 courier parcels were sent via Estonian Post last year.


 The [Russian postal service](#) is to install satellite tracking equipment in post office vehicles. In a joint project, 10000 postal vehicles will be equipped with on-board satellite GPS. Russian Post said the introduction of monitoring will help improving the efficiency of its logistics network and improve service quality, allowing for more predictable delivery times and fuel savings. Postal vehicles will also be equipped with emergency communication and other special devices to improve transportation safety and the safety of postal goods.

 [Silicon Republic](#) has reported that "Ireland's postal operator An Post has launched a new €2m mobile virtual network operator (MVNO) called Postfone, promising "any network, any time" rates of 20 cents per minute and nine-cent texts."

 [Postal Technology International](#) has reported that "Böwe Bell + Howell (BBH) and China Post/Shanghai Research Institute have signed a cooperative agreement that enables distribution of BBH's High-Speed Flats Feeder technology into mainland China, along with integration of SRI cross-belt technology into BBH systems for the global market. China Post is a state-owned enterprise that regulates the national postal industry in the People's Republic of China, and SRI is a leading research and development organisation that consults and provides solutions and recommendations to China Post."

 [Oxera is European consultancy](#) that has done some work within the postal sector. You can find a list of the reports that have been done that are publicly available.

 [Hellmail](#) has reported that "Ed Davey gave a stark warning to Royal Mail employees today that privatisation was the only way to secure the pensions of thousands of former and current postal workers. His comment follows an announcement by the new coalition government that semi-privatisation (possibly up to 49%) would be essential to help modernise the Royal Mail, already losing business to rivals and seeing an annual fall in stamped mail volume."

 [PC World](#) has reported that "HP announced a new breed of printers with new ePrint technology. The Web-connected printers are designed to work with cloud-based content, and print documents via e-mail--freeing the printer from relying on a PC or other appliance."



[FedEx Corp.](#) said late Monday its board raised the quarterly dividend to 12 cents a share from 11 cents.

June 7, 2010



<http://blog.uspsoig.gov/>.

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

- **Scaling Back Hours, Not Post Offices.** Is cutting Post Office hours the best way for the Postal Service to address declines in mail volume and the limits it faces on closing Post Offices?

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



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


- **Booklets: New Optional Design for Letter-Sized Booklets**
We revised [201.3.0](#) to modify language that refers to the bound edge of a booklet as an edge and to rename the bound edge as the spine; to modify the reference to cover paper for one design format; to extend booklet design parameters; and to introduce a second folding option in the folded booklet category.
- **New Deflection Standards for Commercial Flat-Size Mail**
We revised [301.1.0](#) to implement new deflection standards on commercial flat-size mail.
- **New Facing Identification Mark (FIM) E Pattern**
We revised [708.9.0](#) to add a new FIM E pattern that will be used for future customized services.
- **Click-N-Ship Insurance Indemnity Coverage Increase—Feasibility Test Extension**
We revised [709.4.0](#) to extend the feasibility test period that permits the purchase of domestic Click-N-Ship online insurance coverage up to \$5,000.00
- **Labeling List Changes**
We revised Labeling List(s) [L001](#), [L002](#), [L003](#), [L004](#), [L005](#), [L007](#), [L008](#), [L009](#), [L011](#), [L201](#), [L606](#), and [L607](#) to reflect changes in mail processing operations.





From [Business Wire](#): "UPS has announced enhancements to several technology tools that simplify the use of multiple transportation modes and give importers more control over shipments."




Susan Plonkey, Acting President of Mailing and Shipping Services, today announced the appointment of Steven Hernandez as Acting Vice President, Sales.


 The [Memphis Commercial Appeal](#) has reported on a "Memphian hopes to deliver message to U.S. Postal Service" A woman [and member of the APWU] "who campaigns against end to Saturday mail service."


 As [Hellmail](#) has put it: "With another six months having transpired, it is time again for another review of Royal Mail's financials and its modernisation efforts. Major events for the period include postal strikes, the change in Royal Mail management, another postal union/management agreement, the Quality of Service (QoS) Monitoring violations, a change in the political landscape and Royal Mail's year-end financials."

 The [Hindu Business Line](#) has reported that "The Government-run postal and telecom services are fast losing their relevance to society. They function with lot of deficiencies compared with private operators. A revamp is necessary, according to Mr P.T.K.A. Balasubramanain, Secretary, Sattur Chamber of Commerce and Industry. In a letter addressed to Mr A. Raja, Union Minister for Postal and Telecom Services, he said that while private couriers delivered the posts the next day, no one was sure about delivery with reference to the Postal Department. The Department also does not seem to take interest in setting things right. The fate is the same with the money order and telegram services."


June 6, 2010

 [Dead Tree Edition](#) wants to know "Why do Postal Service officials sing the praises of the Intelligent Mail barcode and then not use it on their own mailings? An Intelligent Mail barcode (also known as a FUBAR code) has four types of bars that enable it to contain more information than "unintelligent" barcodes that have only two types of bars. In theory, an IMb can uniquely identify each piece of mail. Next year, mailers will be forced to use IMbs to obtain automation discounts."


 [The Telegraph](#) has noted that "Royal Mail charges more to send packets to UK addresses than to Russia. An anomaly in Royal Mail's pricing system means that some packets are cheaper to post by Airmail to Europe than by second-class post within the UK."


 **At the Postal Regulatory Commission:** The [Postal Regulatory Commission Office of Inspector General](#) is seeking a highly motivated individual with exceptional analytical and communication skills to serve as Senior Auditor.


June 5, 2010


 The [Columbo Page](#) has reported that "Sri Lanka Postal Department trade union sources say that the loss incurred to the Department due to malpractices in business mail amounts to Rs. 150 million annually. The officials say that the reason for this loss is that the state and business firms use normal mail to post letters with the business name as the back address. To post letters with business names as back address, the sender should pay postage of Rs. 15. But, many use the Rs. 5 postage for this purpose. This malpractice is costly to be traced and the letters are delivered to the recipient as usual, prompting others as well to use Rs. 5 postage to post business letters, sources said. The law is impractical here since the Postal Department can only ask the recipient to pay the balance, Postal Department sources said."


 [DMNews](#) has reported that "Sprint has launched an integrated campaign to promote the June 4 launch of the HTC Evo 4G smartphone. The effort, spearheaded by San Francisco-based agency Goodby, Silverstein & Partners, also began June 4. Sprint's goal is to promote itself as the first national carrier in the US with both a 4G phone and network. The campaign creative will highlight the phone's features and play up Sprint's role as a frontrunner in the mobile space. The effort will also feature social media, inviting consumers to share their first experiences with 4G, such as their first Tweet. Consumers who are among the first to post their experiences will receive virtual badges."

 [DMNews](#) has reported that "Catalogers and multichannel retailers are beginning to plan their responses to the US Postal Service's possible move to a five-day home delivery schedule. Many companies are determining how to deliver time-sensitive offers to consumers despite the possibility of having one less day per week to do so, according to industry experts. [One cataloger] said she's taking a wait-and-see approach. She added that the service change could pose significant challenges for retailers' shipping operations, as well. "The Postal Service delivered on Saturdays, and that was one of the advantages of using it. Now they might take away that advantage, and so I have to think twice about how I'm going to ship to my customers if that's the case," she said. "In this day and age of everyone wanting to get things fast, everything is going to take longer.""


 [The Northern Echo](#) has reported that " Royal Mail proposals could see sorting offices in Darlington, Middlesbrough and York close."

 [Delmarva Now](#) has reported that "Despite requests from Maryland's federal lawmakers, the U.S. Postal Service does not plan to hold more than one public hearing on the proposed consolidation of the Easton distribution center."

 The [South Bend Tribune](#) has reported that "The plan was to seamlessly move mail carriers from the Osceola post office to the Mishawaka post office. But the mission was not accomplished. It's been five months since the transition and customers of the Osceola office not only noticed, but patronage has gone down, according to officials. Since the move, rumors have been running rampant that the post office is closing."

 As [Hellmail](#) has noted, "Those opposed to privatisation will argue (probably quite rightly) that had liberalisation not come along, postal deliveries would be earlier and more of them too, but the decline in stamped mail, which is real enough, is a direct consequence of man's obsession with gadgets and the growth of the mobile phone and the internet. Postal operators are already straddling these technologies and whilst my gut instinct says that 'the post' should be left alone, in reality it cannot survive unless it embraces technology and with so few state-owned operators having the commercial expertise (or indeed the money) to transform an entire business as rapidly as is now required, private investment is the only logical way to bring about change - at least on paper."

June 4, 2010

 **DMM Advisory: Change in Intelligent Mail Barcode Requirements for Letter-Size and Flat-Size Business Reply Mail, Courtesy Reply Mail.** We recently revised the Domestic Mail Manual (DMM®) to postpone the Intelligent Mail® barcode (IMb) requirement for Qualified Business Reply Mail® (QBRM) and permit reply mail (PRM) pieces until May 2011. Current DMM standards, which we are not proposing to change, require an IMb on all BRM letters and on all PRM pieces as of May 2011. This advance announcement is intended to provide customers with reasonable time to use up existing stock. We will be publishing a Federal Register proposed rule to require BRM flats (in addition to letters as stated above) to use an Intelligent Mail Barcode as of May 2011. In addition, in the Federal Register proposed rule, Courtesy Reply Mail™ that does include a barcode must bear an Intelligent Mail barcode effective May 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.



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

- The Postal Service published its unaudited April results with the Postal Regulatory Commission. USPS lost more than \$382 million in April 2010. This brings the year-to-date to \$2.3 billion.

- According to postal commentator Gene Del Polito, "next week, the management of the U.S. Postal Service (USPS) will be placing before the Board of Governors a proposal to file with the Postal Regulatory Commission (PRC) for an exigent increase in all postal prices. The rumors have been flying throughout the Washington postal community as to how the commissioners at the PRC are likely to respond to this novel and politically laden challenge the Postal Service will lay at the Commission's door."
- According to Rag Content, in recent months, PMG Jack Potter has been doing his own version of a postal limbo. "The limbo stick the PMG has been trying to get under is the huge debt facing the Postal Service at the end of this fiscal year. He's been nimble and quick in responding to some of the challenges that have been facing him and the Postal Service. He nimbly ducked criticisms from members of Congress and the PRC chair who accused him of using "scare tactics" with his claim that the Postal Service would be looking at a \$238 billion loss by 2020. He was quick in naming an Acting President of Mailing and Shipping Services to create the illusion that new product innovation will not be stifled with the loss of Robert Bernstock."
- USPS publishes drop ship documentation policy. OIG to audit USPS' market intelligence. APWU gives co-sponsor count on anti-five day bill. Teamsters and UPS strike. Financial direct mail on the rise. USPS moves Jackson processing to Memphis.
- Federal Register Update
- Postal Regulatory Commission Update
- DMM Advisory Update
- OIG Update
- Over There International Postal News
- 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](#)

[Rag Content](#) has told its readers that PMG Jack Potter has been his own version of a postal limbo. "The limbo stick the PMG has been trying to get under is the huge debt facing the Postal Service at the end of this fiscal year. He's been nimble and quick in responding to some of the challenges that have been facing him and the Postal Service. He nimbly ducked criticisms from members of Congress and the PRC chair who accused him of using "scare tactics" with his claim that the Postal Service would be looking at a \$238 billion loss by 2020. He was quick in naming an Acting President of Mailing and Shipping Services to create the illusion that new product innovation will not be stifled with the loss of Robert Bernstock."


DMM Advisory: Published Federal Register Notices & Approaching DMM Revisions


The following four Federal Register notices have been published and are now posted on the Postal Explorer® website at pe.usps.com. All of these revisions will be incorporated into the July 6th update of the online DMM®, and the July 17 Postal Bulletin. We encourage you to check them out:


- Business Reply Mail® Online Application Option — eliminates the option to apply for a Business Reply Mail permit online. The application for applying online for Qualified Business Reply Mail is also being eliminated.
- Restricting the Mailing of Replica or Inert Explosive Devices — adds new standards for items that are replicas or inert explosive devices must be sent by Registered Mail™ service only.
- Plant-Verified Drop Shipment (PVDS) – Nonpostal Documentation — clarifies that postal employees may, upon request, sign a bill-of-lading for a mailer's transportation provider as a


courtesy to the customer. However, PS Form 8125 is the sole source of evidence for USPS purposes of the transfer of the custody of pieces entered at the time of induction. [This article will be in the July 1 Postal Bulletin].

- Treatment of Cigarettes and Smokeless Tobacco as Nonmailable Matter — implements the specific provisions of the Prevent All Cigarette Trafficking (PACT) Act, which restricts the mailability of cigarettes and smokeless tobacco sent through the U.S. Postal Service®. [Effective date is June 29, 2010].

 [Novinite](#) has reported that "Bulgaria's Minister of Transport and Communications, Aleksander Tsvetkov, dismissed Thursday Milen Keremedchiev from his post as Director of the Postal Services. The decision for the surprising move had been made Wednesday while Keremedchiev had been informed Thursday. The Transport Ministry confirmed officially the information, saying the discharge is the result of mutual agreement. Keremedchiev stated that there isn't any drama or tension in his dismissal and confirmed it has been the result of mutual agreement."

 The [American Postal Workers Union](#) has told its members that "Close to 200 U.S. Representatives have signed on to co-sponsor House Resolution 173, which says "the U.S. Postal Service should take all appropriate measures to ensure the continuation of its six-day mail delivery service." A total of 218 votes are needed to adopt the "sense of the House resolution," which was introduced in February 2009 by Rep. Sam Graves (R-MO). Although adoption of the measure would not create new law, it would send a strong signal that lawmakers oppose the elimination of Saturday delivery. The USPS is seeking authority to reduce the number of delivery days from six to five, and has launched an aggressive public-relations campaign to achieve that goal. The APWU vehemently opposes the elimination of Saturday delivery, which President William Burrus has said "would lead to the demise of the Postal Service."

 [AuctionBytes](#) has reported that "eBay UK has launched a "delivery services hub" where sellers can find postage discounts. eBay UK is working with several courier partners and will feature discounts on letters, packets and parcels, 2-Man/Large Deliveries, international, specialist/freight and same-day delivery. The eBay UK hub may be an effort to promote a variety of delivery services following the Royal Mail postal strikes last year that impacted deliveries during the crucial holiday shopping season."


 The [Wall Street Journal](#) has reported that "Japan's incoming prime minister Naoto Kan said Friday his government will "do everything" it can to enact postal reform legislation before the current parliamentary session ends."


 **[At the Postal Regulatory Commission: The Semiannual Report of the Inspector General to Congress 10/1/09 through 3/31/10.](#)**


 **[From the Federal Register:](#)**



- **[Postal Regulatory Commission](#)**: Sunshine Act Meetings TIME AND DATE: Wednesday, June 9, 2010 at 11:30 a.m. PLACE: Commission's main conference room, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001. STATUS: This meeting will be closed to the public.
- **[Postal Service](#)**: The Postal Service announces the issuance of Issue 300, dated May 11, 2009, of the Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM), and its incorporation by reference in the Code of Federal Regulations.


June 3, 2010


 [Hellmail](#) has reported that "84 per cent of letters posted in Ireland to addresses within the State was delivered on the next working day between January and March, according to ComReg's latest quality monitor results. This compares with 83 per cent for the same period last year and consolidates the performance for 2009 as a whole."


 [The Times](#) has reported that "Adam Crozier was paid almost £2.5 million in his final year in charge of Royal Mail, it was revealed yesterday. Mr Crozier, who left the postal operator to run ITV in March, received a £1.5 million bonus for meeting performance targets under a long-term incentive plan, according to Royal Mail's latest annual report. This was in addition to his £633,000 salary, a further £206,000 in lieu of a pension and other benefits worth £19,000. The payout was attacked as "outrageous" by the Communication Workers Union, which said that Mr Crozier had left the company before its multibillion-pound modernisation programme had been completed. Mr Crozier, 46, joined Royal Mail in February 2003 having previously held senior positions with Saatchi and Saatchi, the advertising agency, and the Football Association. He stepped down earlier this year to replace Michael Grade at ITV and stands to pocket up to £17 million in salary and bonuses from the broadcaster over the next five years. He received a "golden hello" of £633,000 from ITV and a basic salary of £833,000." See also [The Scotsman](#), [The Independent](#), and [Financial Times](#).


 [EarthTimes](#) has reported that " In today's challenging economy, businesses are looking for an advantage to help them pull out of the recession and avoid losses, layoffs, or worse. Companies are focusing on a single task -- increasing sales. To help businesses learn how to quickly implement powerhouse direct mail marketing campaigns proven to sell, The Direct Mail Crash Course will be presented in conjunction with the U.S. Postal Service (USPS) where attendees will receive new and proven strategies to increase business leads and revenues."


  [Reuters](#) has reported that "United Parcel Service Inc said on Thursday that it had formed an alliance with PosLaju, a Malaysian courier company. Together, the shippers will offer an international express delivery service with a money-back guarantee serving more than 215 countries."


 *Everybody is atwitter about when the Postal Service will drop the shoe with its exigency increase request. The Governors of the Postal Service will not have this proposal laid before them until their June 22-23 meeting later this month. Whether postal management then elects to launch a postal blitzkrieg in the late days of June is anyone's guess. If management foregoes a quick punch through the postal Ardennes, the filing most likely will come after Independence Day.*


 [The Telegraph](#) has reported that "Adam Crozier, the outgoing chief executive of Royal Mail, picked up an annual pay packet of £2.43 million last year, in a period when the service was crippled by a national strike. His pay includes a £1.57 million bonus making him, it is understood, the best paid public sector worker, with the possible exception of one or two bankers. His pay was the equivalent of 105 times the average salary of a full-time postal worker. The starting salary for a postman in London was £16,324, but even including all their overtime pay and benefits this reaches just £23,000."


 According to postal commentator [Gene Del Polito](#), "next week, the management of the U.S. Postal Service (USPS) will be placing before the Board of Governors a proposal to file with the Postal Regulatory Commission (PRC) for an exigent increase in all postal prices. This is serious stuff. Just as nature abhors a vacuum and quickly seeks to fill it, so also do people abhor an informational vacuum and often succumb to the temptation to fill it. Whether they fill it with real, solid information or idle gossip and rumor sometimes isn't always as important as the compelling need just to fill it. Well, the rumors have been flying throughout the Washington postal community as to how the commissioners at the PRC are likely to respond to this novel and politically laden challenge the Postal Service will lay at the Commission's door."


 From [PRWeb](#): "Pitney Bowes, mail and messaging technology specialist, has teamed up with Objectif Lune, a leader in PostScript and Windows-based printing solutions and workflow software, to introduce integrated print-to-mail solutions for the cut-sheet office environment. These new solutions provide document composition, variable data printing, and postal savings, with a Print-to-Mail workflow that includes email, fax, and other electronic delivery options. The printing solutions transform customer-facing, transactional documents, such as statements and invoices, into high quality, engaging trans-promotional and promotional communications with no changes to the host system."


 According to the [Wall Street Journal](#), "The U.S. recovery is gaining speed, but consumers may start to throttle back on spending."


 [Yahoo! Finance](#) has reported that "Federal officials have rejected a bid by the Teamsters union to begin a 30-day countdown to a potential strike against United Parcel Service Inc. by the delivery company's aircraft mechanics. UPS spokesman Mike Mangeot said the National Mediation Board told the company of its decision Tuesday. The union's airline division had asked the board Friday to declare the talks stalemated. A Teamsters official, David Bourne, said the union was disheartened by the decision. He said the union was prepared to return to the bargaining table, "which we hope will be later this year."


 The [Beacon Herald](#) has reported that "The Conservative government is paving the way for the privatization of Canada Post, critics charged Tuesday. A measure included in the federal government's 880-page budget bill, eliminates the Crown corporation's monopoly on international letters -- a move that will destroy the postal carrier, say the Liberals, NDP and Canadian Union of Postal Workers. "This is privatization through the back door," said Denis Lemelin, the union's national president. Canada Post uses profits from its international service to "subsidize" deliveries to more remote regions of the country, he said, adding the projected \$60-\$80 million cut to the corporation's bottom line would affect service across Canada. "Rural delivery will be compromised and prices will increase," warned the Liberal's critic for Crown corporations, Bonnie Crombie."

 the [Borneo Post](#) has reported that "Pos Malaysia Bhd (Pos Malaysia) gathered a core net profit of RM20.1 million for the first quarter of the financial year 2010 (1QFY10) which was lower than estimates but would gain from the upcoming tariff hike in the second half of the financial year 2010."


 According to [InsuranceNewsNet](#), "the American Council of Life Insurers (ACLI) praised joint efforts by the U.S. and E.U. governments to resolve a long-standing disagreement with the Government of Japan over its preferential treatment of Japan Post Insurance, and again urged Japan to live up to its commitments under the General Agreement on Trade in Services (GATS). Frank Keating, President and CEO of ACLI said, "We appreciate the unparalleled cooperation between the U.S. and E.U. governments to forcefully raise the international community's longstanding concerns over the preferential treatment for Japan Post Insurance. In particular, we would like to thank U.S. Ambassador to the WTO Michael Punke and the USTR team for their strong leadership of the recent joint U.S.--E.U. talks with Japan in Geneva on this issue. We hope the talks will lead to a speedy resolution of the international community's outstanding concerns."


 The [Washington Examiner](#) has reported that "a 38-year-old US Postal Service letter carrier has admitted to stealing them, handful after handful, from his own mail route and other mail routes in the Spring area north of Houston. Rudolph Luna, Jr. was indicted on a federal felony charge of Theft of Mail Matter in March and his guilty plea could now result in a five-year prison term. Court records show US Postal Inspectors were called by Netflix security because some 114 movies that were destined for the 77373 zip code never arrived. All of a sudden, families were complaining to Netflix throughout that area of north Harris County that their movies weren't showing up."


 [OvernightPrints](#) has reported that "Despite the United States Postal Service's recent reports that general mail volumes being down, direct mail is on the rise, according to direct marketing intelligence firm Mintel Comperemedia. In the first quarter of 2010, the firm reports that more than six billion direct mail pieces were received by consumers. This number is up from 5.3 billion in the fourth quarter of 2009, a 16 percent growth quarter-over-quarter."

 The [Memphis Commercial Appeal](#) has reported that "In a move to improve efficiency, the U.S. Postal Service is shifting some of its operations from Jackson, Tenn., to Memphis. Most outgoing mail from Jackson will now be processed at the main post office at 555 S. Third. Local service for Jackson will not be affected, but USPS hopes to save almost \$1 million annually. The consolidation process has already begun and is expected to be completed by July 1."

 **From the Federal Register:** Postal Service. "[Plant-Verified Drop Shipment \(PVDS\) – Nonpostal Documentation.](#)"

 According to [Business Week](#), "The Teamsters union has asked federal officials to begin a 30-day countdown to a potential strike by aircraft mechanics against United Parcel Service. The union says it has bargained with UPS for more than four years without reaching a deal. Its airline division asked the National Mediation Board on Friday to declare the talks have reached a stalemate."

 [EV World](#) has reported that "One of the most efficient postal organisations in the world, Swiss Post has announced they are doubling their fleet of Oxygen electric CargoScooters. This will take the Swiss Post fleet to 1,000 Oxygen scooters, making this the largest electric scooter fleet in the world."

 The [Washington Examiner](#) has reported that "Three Maryland Democratic congress members are demanding more chances for public comment on the proposed closure of a mail facility on the state's Eastern Shore. Sens. Barbara Mikulski and Ben Cardin and Congressman Frank Kratovil sent a letter on Wednesday to Postmaster General John Potter asking for an explanation of how service to the shore will be affected by the closure of the facility in Easton. The Postal Service says a feasibility study supports moving mail processing currently handled at an Easton plant to Baltimore. The study says cutting 54 jobs at the Easton site would save \$3.4 million a year."


June 2, 2010





AUDIT ALERT: The U.S. Postal Service Office of Inspector General has started two new audits on the following projects:

- [10BG004FF000 - FY 2010 - Express Mail Guarantees and Refunds](#) was started to determine if the Postal Service has policies and procedures in place to ensure Express Mail™ service guarantees to all ZIP Codes and U.S. territories are prudent business practice.
- [10RG012MS000 - Market Intelligence](#) was started to determine whether the Postal Service uses best practices to gather market intelligence to make informed business decisions.


Comments and suggestions on other ongoing audit projects can be made by visiting the Audit Project page at http://www.uspsog.gov/audit_project.cfm.


 **From the Postal Service:** This afternoon, the PMG announced Susan Plonkey, VP of Sales, as Acting President of Mailing and Shipping Services. Susan brings a strong customer-oriented and operational background to the position. As Jack said in his message, "Susan has demonstrated the strong ability to balance our customers' perspectives with the operational requirements needed to deliver our full range of mailing and shipping products and services." Most know Susan through her work with MTAC and National Postal Forum and her work with National PCC Day broadcasts. Susan was selected as the first female postmaster of Dallas, Texas. She also has served as VP, Business Customer Relations, VP of Customer Service, Fort Worth District Manager, manager of processing and Distribution in Austin, TX, and postmaster of Oklahoma City. She holds a Bachelor of Science degree from Kansas State University and an MBA from the University of Central Oklahoma."


 The [BBC](#) has reported that "Greece has outlined plans to part-privatise a number of publicly-owned companies in an effort to raise funds to boost government finances. Privatisation plans include selling 49% of its rail company OSE, which is currently making a loss, while 39% of the state postal service will also be sold."


 **DMM Advisory:** New MailPro Available. The May/June MailPro [\[HTML\]](#) | [\[PDF\]](#) is available now on usps.com/mailpro. You'll find informative articles on the 2010 National Postal Forum, new


deflection standards, Intelligent Mail®, and much more. Customers can access current and past issues of MailPro online or subscribe by sending an e-mail to mncsc@usps.com. Include your name, title, company name, complete delivery address, and daytime phone number.


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


 Post Danmark's customers will have to get used to higher postage and limited services.


 Posten Norge achieved a surge in profits in the first quarter despite a 3.9% decrease in turnover.


 Despite a 2.2% decrease in turnover (11.2bn euros) the British post reported an operating result of 480.7m euros, a growth of 26% - before exceptional items of 346.2m euros though. In contrast the pre-tax profit plunged into the red; while Royal Mail generated a profit of 58.3m euros in 2008/2009, the company has to report a deficit of 311.8m euros for the last fiscal year.


 The Transport and Telecommunications Committee of the National Council (KVF-N) has rejected a further opening of the Swiss postal market.


 During the presentation of the first quarter results Georg Pölzl, Austrian Post's CEO, only gave a cautious prognosis for the current business year. The post disclosed that the business performance in the first three months was characterised by a difficult market environment.


 German internet service provider United Internet wants to offer a so called hybrid mail service in the future. »Financial Times Deutschland« (21.05) reported that the company plans to co-operate on letter delivery with Deutsche Post's competitors like TNT and publishing group Holtzbrinck. The new service is scheduled to start at the same time as Deutsche Post's E-Postbrief.

 Sandd BV (Sort and Deliver), the largest private letter delivery service in the Netherlands, is said to be interested in taking over its competitor Selekt Mail, a Dutch subsidiary of Deutsche Post.


 British CEP-service provider UK Mail was able to increase earnings on stagnating turnover in the fiscal year 2009/2010 which was closed at the end of March. The company reported a revenue of 460.4m euros, a decrease of 0.1% compared to 2009. With a growth of 5.4% (207.4m euros) the Mail unit became the company's most important revenue driver. The Parcel division suffered from continued pricing pressure and declined.


 Air France-KLM plans to abandon its freighter fleet due to enormous losses according to daily newspaper »Le Figaro«.

 British communication and postal union CWU is losing its members. Last year alone 22,000 members quitted the Communication Workers Union. The total number of members fell from 250,000 in 2007 to 197,000 in 2010.

 The obligation to deliver mail six days a week is 'nonsense' according to TNT CEO Peter Bakker. In an interview with daily newspaper »Die Welt« (19.05) he said this was 'expensive and unnecessary for most customers'. According to TNT's calculation, letter delivery on three days a week would be sufficient to maintain service provision. He further said that 'postal issues' were politically sensitive in every country.

 There are plans for a partial sale of New Zealand Post's subsidiary Kiwibank.

 Deutsche Post and union ver.di have settled their dispute about working conditions at the company's low-cost subsidiary First Mail. Daily Newspaper »Welt« (25.05) reported that both sides signed a comprehensive labour contract for trainees. In the future First Mail will employ 1,000 young people as trainees instead of the current 15. First Mail's apprentices will partially be trained at Deutsche Post.

 Revenues on the Lithuanian express and postal market fell by 9.7% to 15.3m euros in the first quarter. Last week regulatory authority CRA announced that postal services faced a 10.3% decrease (6.8m euros) while courier and express services saw a 9.2% decline.



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.)



From the Federal Register: Postal Regulatory Commission. New Postal Products:

- The Commission is noticing a recently-filed Postal Service Request to add five additional Global Expedited Package Services Contracts 2 Negotiated Service Agreements to the Competitive Product List. The notice addresses procedural steps. 30869–30870 [\[2010–13286\]](#)
- The Commission is noticing a recently-filed Postal Service Request to add a Global Expedited Package Services Contracts 2 Negotiated Service Agreement to the Competitive Product List. The notice addresses procedural steps. 30868–30869 [\[2010–13298\]](#)



The [Wall Street Journal](#) has reported that "Japan's Lower House of Parliament passed legislation Monday to reverse the privatization of the nation's sprawling postal services, likely intensifying tensions with U.S. and European officials worried that such steps could work against non-Japanese financial firms. The bill will now move to the Upper House of Parliament. The ruling coalition led by the Democratic Party of Japan plans to enact it before the end of the current parliamentary session on June 16. Monday's development could add to speculation that the U.S. and Europe may bring a suit to the World Trade Organization over the move, which they argue would impede what they call fair competition. The Office of the U.S. Trade Representative issued a statement earlier this month saying the U.S. and European Union have concerns that the current legislation, among other things, would give Japan Post Holdings Co. "additional competitive advantages, including less rigorous regulation" over its operations."



The [Associated Press](#) has reported that "United Parcel Service Inc. says federal officials have rejected a request by the Teamsters union to begin a 30-day countdown to a potential strike by aircraft mechanics. UPS spokesman Mike Mangeot said the National Mediation Board told the company of its decision Tuesday. The union's airline division had asked the board Friday to declare the talks stalemated."



From [Business Wire](#): "FedEx Express, a subsidiary of FedEx Corp. has announced the appointment of Gerald P. Leary as regional president, FedEx Express, Europe, Middle East, Indian Subcontinent and Africa (EMEA). Leary will succeed Robert W. Elliott, who is retiring from FedEx Express. Leary will be based at the company's European headquarters in Brussels, Belgium."



The [Tribune Weekly Chronicle](#) has reported that "law enforcement and consumer protection agencies in the United States and around the world are making efforts to raise awareness about mass-marketing fraud. USPIS announced that the Universal Postal Union (UPU), a specialized United Nations agency for international cooperation between postal services, is today rolling out a worldwide public education campaign against mass-marketing fraud."





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

<http://blog.uspsoig.gov/>. **Can Looking at the Bigger Picture.** The Postal Regulatory Commission requested the Urban Institute study the Postal Service's role in American society. The report's authors found

eight types of benefits to the American population. We are interested in finding out which one you think is the Postal Service's most important role. Have any other roles been overlooked?

June 1, 2010

 **Press Release:** "BCC Software, a BÖWE BELL + HOWELL company and a leading developer of high-performance mailing technology solutions, will host a weekly Twitter Trivia Contest during the month of June for the growing number of mailing professionals joining BCC's social media pages. Each week beginning Wednesday, June 2, a different mailing-related question will be Tweeted on the BCC Twitter feed, and posted on BCC's Facebook Page and LinkedIn Group. The first person to e-mail the correct answer to bccmarketing@bccsoftware.com will receive a \$10 Amazon e-gift card. For more details about BCC Software, call (800) 453-3130 or visit www.bccsoftware.com.

 **Postal Sanity** has told its readers that "Within 10 years, and contrary to some pep talks in the direct mail industry, we foresee that future tablet devices will take a measurable bite out of paper-based direct mail volumes. Ever improving iPad-class devices will become a very attractive vehicle for targeted sensible advertising. The key to sensible advertising is to avoid flooding the consumers with an barrage of ads. Anyhow, advertising budgets are finite, and therefore the quickly growing mobile tablet platforms will siphon funds from traditional advertising channels like TV, radio, newsprint and direct mail. **Increasing direct mail postage rates and printing costs will accelerate the move away from paper based direct mail.**"




DMM Advisory:


Postal Explorer — Mailer's Tool Kit A few years ago, the [Domestic Mail Manual \(fondly referred to as the DMM®\)](#) was revised based on extensive industry feedback; it is instantly accessible on [Postal Explorer® at pe.usps.com](#). Each chapter of the DMM is intra-linked for ease-of-use and is customized for the user. The chapter numbering system of the DMM is easy:


- 100 — retail
- 200 — commercial letters and cards
- 300 — commercial flats
- 400 — commercial parcels


If you need several items at a glance, a tool known as the [Quick Service Guide \(QSG\)](#) downloads quickly and contains many graphics—it's the show and tell of mailing preparation and highlights key areas in each of our mailing categories. The QSGs follow the same numbering systems as the DMM. [Notice 123 - Price List](#) is posted for quick access to all domestic and international pricing, along with [Publication 28](#) which contains very specific addressing standards. There are very easy-to-use tools posted for beginners too, such as the [DMM 100](#), A Customer's Guide to Mailing, and [Business Mail 101](#). Need to know international standards and individual country listing requirements? The [International Mail Manual \(IMM®\)](#) is just one click away on Postal Explorer. If you haven't looked at Postal Explorer lately, we urge you to take 20 seconds this morning, and go to pe.usps.com. You'll be glad you did. Our customers tell us that one of the things they like best about Postal Explorer is that it helps them save time by finding items quickly (fabulous search engine). They also tell us that it helps them stay current because changes are posted in one spot each month under the "[DMM Summary of Changes](#)." What could be simpler than that?

 **MarketingWeek** has noted that "Canada Post boss Moya Greene is to take the reins at the Royal Mail in July. First item in her in-tray? Removing the protective blanket of the public sector and ensuring that the organisation is in a fit state to attract the "injection of private capital" the coalition Government has said it wants. Oh, and all without incurring the wrath of a heavily-unionised workforce. Quite a challenge, but one that she appears capable of meeting. Greene marshalled Canada Post through many of the same headwinds that have faced the Royal Mail - strong unions, increasing competition, declining mail volumes and the challenge of an ever more digital world - without, it seems, provoking anything approaching the same

union ire as that of her predecessor, Adam Crozier. She also managed to steward the firm through five years of profitability."

 [Business Times](#) has reported that "Pos Malaysia Bhd, the national postal company, fell the most in six days after first-quarter profit dropped 93 per cent from a year earlier to RM1.63 million. The stock declined 1.9 per cent to RM2.62 ringgit at 9:40 am local time in Kuala Lumpur trading, set for its steepest decline since May 2."


 [Smart Company](#) has reported that "Big mail users are warning the proposed price increase of basic stamps from 55c to 60c will not only be costly to business but will lead to a decline in the number of letters being sent and increases in e-communication alternatives. Communications Minister Stephen Conroy is under pressure to oppose the increases that are set to take effect on June 28 after the ACCC reversed its initial opposition to the increase last week. Bulk mail and 'presort' prices will also jump from 36.3c to 38.8c. They were previously as high as 38.25c in 1992 but have since been dropped due to improved productivity through automation. Major Mail Users Australia, which represents large mailing houses, payment providers, marketing companies, share registry operators and printing companies, released an angry statement slamming the ACCC's decision, claiming the watchdog "has pushed aside and disregarded the warnings of all major industry associations".

 From [Business Newswire](#): "Cyber-Ark® Software, the leading provider for Governed File Transfer, today announced the deployment of the Inter-Business Vault®, part of its Governed File Transfer Suite, as the underlying security infrastructure for iPOST—the Israel Postal Company's pioneering electronic mailbox. With the Inter-Business Vault, iPOST provides a secure and reliable online platform for the transfer and storage of electronic mail. In recognition of the increasing consumer demand for online communications, this new form of electronic mail provides a level of service and cost-efficiency that ensures the continued relevancy of the Israel Postal Company."

 Postal news from Hellmail:

- [Electronic Mailbox Trials Get Off To Good Start.](#)
- [Portugese Postal Regulator Gives Green Light To CTT Price Increases.](#)

 The [Pacific Free Press](#) has noted that "Canadian Union decries Israel's "Piracy" in Gaza flotilla attack."

 According to [Hellmail](#), "French postal regulator ARCEP, has it seems, a relatively complex methodology at its disposal for quantifying the "intangible benefits of the universal service obligation" - in case you'd been kept awake at night trying to figure it all out. The equation (above) was the work of Wik Consult, and to ARCEP's credit, it did say the report in no way constituted a commitment - perhaps actually code for: "We have no idea what you're on about." In any event, the report is possibly the most mathematical approach to date for working out the commercial benefits for incumbent USO providers and once you've worked your way through it all, does identify eight benefits that ARCEP classified as intangible benefits of the USO."