



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 2011:


June 30, 2011


 *At the Postal Regulatory Commission:*

- **CP2011-65** Order No. 755-Order Approving an Additional Global Reseller Expedited Package Contract Negotiated Service Agreement http://www.prc.gov/docs/73/73362/Order_No_755.doc
http://www.prc.gov/docs/73/73362/Order_No_755.pdf


 **PalisadesHudson:** If the USPS is to be run like a business, it needs to be run with more of a profit motive. If demand dips, you can raise prices, cut expenses, or search for new, more lucrative services. The Post Office should, ideally, attempt all three. European postal agencies offer services like scanning your mail to deliver it to you electronically, or turning pictures from your phone into postcards. Not all new ideas will work, but unless such new services are attempted, demand for the old services may die out altogether in the meantime. And if the USPS is an agency run for the public good, like the EPA or NASA, then we need to seriously reconsider fiscally responsible ways of running it. Right now, it is stuck between two models, promising its union more than it can afford, charging the same amount to send a letter 3 blocks and 3,000 miles, and waiting in vain for people to start sending bundles of personal letters again. While Republicans and Democrats don't agree on much these days, hopefully they can agree that it's time for reforms that are long overdue.


 **American Postal Workers Union:** The Postal Service is in danger of financial collapse, and could close its doors as early as July 2012. A battle is raging on Capitol Hill over what to do about it, and one thing is clear: Our jobs, our pay, and our benefits are in jeopardy!


 **Post-Tribune:** Rep. Peter Visclosky -- "Enshrined in Article One of the United States Constitution is the authorization to establish a postal system for the United States. Even in the earliest days of our nation's existence, it was clear that the ability to transmit communications across state and other boundaries would play a key role in maintaining our political freedoms and developing the economy of our country. Today, despite the ease of communication that the Internet provides, we must not overlook the critical role basic mail service plays in our daily lives and the success of the businesses in our region."


 **Sioux City Journal:** A June 24 Letter to the Editor, headlined "Postal Service official responds," misses some critical facts on the decision to close the Sioux City processing center and move operations to Sioux Falls. Most importantly, that the city offered to work with the Postal Service to keep this facility open and find suitable alternatives for residents. And, that data showing the facility should close was only partially shared with residents and only days before the decision came down. At a time when this area of the state is already grappling with an

impending flood, this news was like a one-two punch to residents. No one could disagree that mail volume is declining. All we asked was that the case for this closure be fully explained so that the community could respond in a meaningful way before the decision was made. That did not happen here, to the detriment of all parties involved. - U.S. Sen. Charles Grassley, R-Iowa; U.S. Sen. Tom Harkin, D-Iowa; U.S. Rep. Steve King, R-Iowa

 **The Sofia Echo:** Bulgaria's parliamentary economic committee has approved the first reading of the amendments to the country's privatisation law envisaging the removal of state-owned postal services operator Bulgarian Posts from the list of companies that cannot be privatised. If passed, the move would not necessarily mean that the company would be sold, as the state may decide to seek a buyer only for a minority stake thus retaining its control over the operator.

 **Post & Parcel:** The Universal Postal Union (UPU) and Russia Post have entered an agreement to launch a regional technical centre for financial services in Moscow. The centre will provide consulting and technical services related to the UPU's software in this business area to Posts in Eastern Europe and Central Asia. UPU director general Edouard Dayan and Russia Post CEO Alexander Kisselev signed the agreement last week at the Pochtovaya Troika international postal forum in St. Petersburg.

 **Post & Parcel:** An alliance between Morocco Post's banking subsidiary and MoneyGram International will see the remittance firm providing its financial services across the country's 1,800 post offices.

 **MyFox Tampa Bay:** How necessary is the post office? It's in financial trouble and something must be done. The heart of the issue is control: the Postal Service is like any business -- whatever it spends it must earn. But its rules of operation are set by the government. To save itself, the U.S. Post Office wants to take charge of those rules.

June 29, 2011



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


- According to Courier, Express, and Postal Observer, “the Issa/Ross Postal Reform Bill presents a future for the Postal Service and stakeholders that serves the interests of two of the Postal Service's creditors: the Office of Personnel Management, to whom the Postal Service currently must make payments for retiree benefits and the Department of Labor, which administers workers compensation programs. The bill forces changes in Postal Service operations, labor contracts, and rates all designed to ensure that those payments are made according to the schedules currently in law.”
- Sen. Tom Carper (D-Del.), Chairman of the Senate Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security, released a statement in response to the introduction of the Postal Reform Act by Rep. Darrell Issa (R-Calif.), Chairman of the House Committee on Oversight and Government Reform. Sen. Carper introduced the Postal Operations Sustainment and Transformation (POST) Act last month.
- In a press release, the USPS said, “while there are several provisions in the bill that we agree with, the bill appears to be based on the assumption that the Postal Service's challenges result from too little regulation. The opposite is true. Our financial instability is the result of dramatic loss in volumes, coupled with restrictions imposed by Congress that have prevented the Postal Service from adequately responding to those losses in a business-like fashion.”
- Rep. Darrell Issa (R-CA), the powerful chairman of the House Committee on Oversight and Government Reform, has introduced a bill, H.R. 2309, that is “a reckless assault on postal workers and the Postal Service,” said APWU President Cliff Guffey.
- Rep. Dennis Ross talks about the Postal Service's contention that it has overpaid on its Civil Service Retirement System funding.
- Unless Congress takes action now, the future of the United States Postal Service is in jeopardy. If Congress will enact a sensible, sweeping reform of the postal service, we can protect taxpayers from another bailout and make it possible for USPS to implement a sustainable business plan for the future.


- The U.S. Postal Service has asked members of Congress, including Hawaii Senators Dan Inouye and Dan Akaka, to enact legislation to return the organization to financial stability.
- Fredric Rolando, President of the National Association of Letter Carriers, speaks about the Postal Service's real story.
- According to an article published in The Hill, "key lawmakers from both parties, and in both chambers, agree that the United States Postal Service needs to make some serious changes. But the legislative prescriptions to bring stability to the USPS are not all on the same page on several crucial issues, including health care and retirement costs, a potential roadblock to bipartisan efforts to overhaul the struggling agency."
- According to internet commentator John C. Dvorak, "I do not think it is too late for the USPS to introduce a spam-free email system for the public at large. Although, horrible stories about government intrusions have made the public paranoid, so the time might not be right. Over the years, though, the USPS has done a better job of not opening your mail than snoops within a corporation."
- The Postal Service published its unaudited May results with the Postal Regulatory Commission. USPS lost \$1.35 billion in May 2011. The year-to-date loss for FY2011 is \$4.7 billion. The Postal Service's controllable operating loss for the year would be \$589 million if it did not have over \$4.0 billion in retiree health fund prepayment or workers compensation.
- The USPS earlier this week issued a letter to Periodicals mailers instructing them about the new national Critical Entry Times (CETs) which will take effect on July 1, 2011. The USPS differentiates the CETs based on whether bundle sortation is needed and whether the mail is for an FSS zone or non-FSS zone (see below chart). Periodicals to non-FSS zones which do not require bundle sortation have the latest CET. The USPS also said it will allow mailers of mixed loads containing Periodicals to schedule those appointments during the same timeframe they currently can use for 100% Periodicals loads, rather than being restricted to the appointment windows for other mail classes.
- The U. S. Postal Service on June 28, 2011, published in the Federal Register its final rules, effective January 22, 2012, for preparation of combined mailings of Standard Mail and Periodicals flats. The new rules provide an option for mailers to combine Standard Mail flats and Periodicals flats when bundled and placed on pallets. Under this option, different class pieces can be combined within the same bundle (comail), or mailers can combine separate same-class bundles (of different classes) on the same pallet (copalletize) to maximize presort or qualify for deeper destination entry discounts. In response to comments submitted by PostCom and others, the USPS made some changes in its final rules, including removing the requirement for pieces in combined mailings to meet Full-Service IMb standards.
- PostCom recently obtained copies of the comments submitted by others to the USPS' proposed Intelligent Mail Package Barcode (IMpb) implementation standards for commercial parcels. Only three sets of comments (including those submitted by PostCom) were filed with the USPS in response to its proposed rules. Neopost and Newgistics were the other parties that submitted comments.
- Message from MTAC. Statement made by Alliance of Nonprofit mailers. Rep Owens weighs in on postoffice closure studies. Issa intros postal bill, without widely-supported provision. US postal ratepayers funding non-postal law enforcement, says audit. Postal Service must shed excess capacity. Postal pension halt a 'willful' breach of law, Issa says.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal Previews


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














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 **Post & Parcel:** Swiss Post is to roll-out automatic sequencing across its letter delivery business, after a trial period was deemed successful. The implementation of the new technology will allow the majority of mail to be pre-sorted automatically right down to individual house letterbox level. Between autumn 2010 and spring this year, Swiss Post trialled various postal delivery optimisation schemes. The company said automatic letter sequencing proved “particularly successful”.


 **EON BusinessWire:** GrayHair Software, Inc., a constant innovator in the direct mail industry, is proud to announce it has enhanced its industry-leading mail-tracking reports with the integration of Google Maps into its reporting engine. This integration provides GrayHair’s clients access to the most powerful mapping tool available. GrayHair Software is the largest enterprise-wide provider of USPS® PLANET Code® and Intelligent Mail® barcode (IMb) tracking. Through their MailTrak™ and SelectTrak™ products, 10-15 billion pieces of consumer and business mail are tracked each year. Both of these applications are delivered via SelectSolutions™, GrayHair’s recently released cloud-based technology platform, which provides clients unprecedented access to these dynamic reporting engines.


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

-  The Swiss government adheres to the planned liberalization of the postal market in 2012.
-  China’s express and postal services still record enormously high growth rates.
-  Singapore Post (SingPost) increased its stake in Malaysian Efficient ESolutions.
-  Royal Mail and the Communication Workers Union (CWU) reached a deal over job cuts in mail centres in London.
-  Germany’s Association of Courier, Express and Postal Service Providers (Bd- KEP e. V.) and the Post-Expo agreed on a co-operation. Last week the federation announced that the co-operation will start at this year’s fair in Stuttgart in September.
-  Will DHL withdraw from the domestic business in China? Since the beginning of June there are persistent market rumours that the integrator will sell its stake in the joint venture with state owned Sinotrans. Several Chinese business journals, citing an insider close to the matter, reported that the stake will be sold to a ‘Shenzhen based company’ until the end of July. According to the reports the withdrawal was caused by competitive pressure and the recently forced orientation towards international business. Africa will be the base for further growth.
-  The French government impels the sale of LTL service provider Mory.
-  Every fifth German uses the internet to sell goods or services.
-  Itella completely took over Finnish OpusCapita Group. The company is specialised in the automation of cash processes and will become a part of the Itella Information division.
-  Austrians obviously prefer paper bills. This is the result of a representative poll on behalf of Austrian Post. 75% of the population ‘would rather’ or ‘really prefer’ to receive their bills on paper via mail the study claims. A similar result would apply for younger people up to 35 years. The study also found out that people wish to have important documents delivered on paper. This is especially valid for the correspondence with public authorities and insurances.
-  The Algerian Ministry of Post and Information Technology and Communication (MPTIC), Algérie Poste and the regulatory authority ARPT have signed an agreement about the standards of universal service.



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.)*

 **My San Antonio:** Souris River flooding is affecting mail delivery in Minot. The U.S. Postal Service says the Minot post office remains open and mail delivery is being attempted but with dozens of roads under water it isn't possible in some areas. The Minot Daily News reports that there are long lines at the post office as displaced residents come in to pick up their mail. The Postal Service says mail delivery also is impacted in the downstream towns of Velva and Sawyer.

 **The Kamloops Daily News:** Postal workers began moving a massive backlog of mail Tuesday, the result of a Canada Post labour dispute that interrupted service for more than a month. The backlog is expected take a few weeks to work its way through the system.


 **The Globe and Mail:** The union representing Canada Post employees will mount a legal challenge against legislation forcing them back to work.


 *From the Federal Register:*


Postal Regulatory Commission	
NOTICES	
Meetings; Sunshine Act ,	
38222 [2011-16436]	[TEXT] [PDF]
Postal Service	
NOTICES	
Meetings; Sunshine Act ,	
38222 [2011-16522]	[TEXT] [PDF]
38222-38223 [2011-16524]	[TEXT] [PDF]


 **Postal Technology International:**


- [Swiss Post plans personalised daily paper](#)
- [Spain's national postal service automates sorting centres](#)
- [Itella acquires OpusCapita Group](#)


 **Transport Intelligence:** DHL has enhanced two of its online resources to help customers better navigate the complexities of international trade, simplify online shipping and take advantage of the most powerful international express network.

 **Cumberland Times-News:** In response to declining revenues, the U.S. Postal Service has proposed another round of post office closures, overlooking other potential cost savings. There is little doubt the Postal Service needs to restructure, but care must be taken not to leave rural communities without services crucial to businesses, news delivery, and, in some communities, a link to prescription drugs and other services.

 **The City Wire:** U.S. Rep. Mike Ross, D-Prescott, says recent actions by the U.S. Postal Service create doubts as to the veracity of claims by the USPS that it considers public input when making decisions about closing facilities or changing service.


 **National Post:** CDs and DVDs notwithstanding, parcel delivery will always be a necessity — particularly for remote communities. But other than that, what activities does the mail currently facilitate that wouldn't become easier, quicker and less stressful both for human beings and the environment if they moved online? Thousands of businesses reportedly switched to electronic payment during the lockout, and why wouldn't they? Cheques are stupid. If it's more expensive to switch now, it won't be once online becomes the norm.


 [The Surrey Now](#): It might be a bit longer before all the mail is delivered even though the federal government has ordered an end to the Canada Post labour dispute. The Canadian Union of Postal Workers said Tuesday that Canada Post has imposed an overtime ban, meaning any mail not delivered in normal working hours will be returned to the post office for delivery another time.


 [Washington Post](#): Postmaster General Patrick R. Donahoe is on a talking points tour to implore Congress and Washington opinion-makers to save his troubled business. The chief of the U.S. Postal Service, facing \$8.3 billion in losses at the end of the fiscal year in September, told the Washington Post editorial board Tuesday that his agency could default this year on a \$5.4 billion payment in health benefits for retirees. He's urging passage of legislation re-introduced in May by Sen. Thomas R. Carper (D-Del.) that would help put the Postal Service in the black by eliminating Saturday delivery; making it easier to close post offices; allowing USPS to market more non-postal items; and easing employee pension and retiree costs.


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

June 28, 2011

 [Bloomberg](#): The U.S. Postal Service's suspension of contributions to an employee pension plan is a "willful violation of the law," the chairman of the U.S. House committee overseeing the service said.

 [Washington Post](#): Employees of the U.S. Postal Service spent nearly \$15,000 on season and group tickets to professional basketball, football and baseball games, "imprudent spending" that could damage the agency's public image, auditors said. The \$14,778 tab for sports tickets in one unnamed city last year did not directly violate USPS purchasing procedures because they were bought for "recognition" awards for postal employees. But a report released last week by the agency's inspector general said the expenses were "in direct conflict with the Postal Service's objective of driving down costs in all operations and processes."


 **Attention Business Customer Gateway Customers** We have a update regarding the Mobile Barcode Issue. The system is working as designed and applying the 3 % discount for mailing dates within the Mobile Barcode promotion period July 1 to Aug 31 inclusive. A patch was applied June 27 to fix the dates (SCR 71831 and ETR 79555). There is no need for the work around sent earlier today.


 [Post & Parcel](#): Given the constraints in terms of vehicles that would last 25 years and have right-hand-drive to service domestic mailboxes, repowering the Postal Service's existing vehicles, rather than purchasing all-new vehicles, is likely to be the cheapest option – saving billions compared to all-new purchases. This month, USPS awarded two contracts to companies to deliver repowered prototype vehicles. Virginia-based firm VSE Corporation has been tasked to provide a more fuel efficient gasoline LLV, working with its Pennsylvania subsidiary Wheeler Bros. And, Illinois company Navistar has been awarded a contract to provide a prototype diesel replacement for the Postal Service LLVs. VSE, which already refurbishes vehicles for the US Army, said it could provide a "drop-in" engine for USPS vehicles that could double the mileage of the current technology.


Mailers' Technical Advisory Committee (MTAC)


The following instructions apply for mailers who wish to submit electronic documentation prior to July 1 for drop-ship mailings with the mobile barcode discount that will be inducted on or after July 1. Mailers may submit electronic documentation with a mailers mailing date prior to July 1. PostalOne! will report a validation warning upon file submission but will accept the submission of the file. PostalOne! will allow the finalization of the electronic statement after July 1. Until July 1 mailers must submit hardcopy postage statements for drop-ship mailings with the mobile barcode discount along with electronic documentation. Acceptance employees will calculate the 3% discount and subtract it from total postage to determine net postage due. The net postage due will be entered as an adjustment transaction for the permit imprint used for the mailing. On July 1, the acceptance employee will reverse the original adjustment transaction and finalize the electronically submitted statement. Beginning July 1 mailers will no longer need to


submit hardcopy postage statements along with electronic documentation and PostalOne! will automatically calculate and apply the 3% discount upon finalization of the electronic statement.


 [Journal of Commerce](#): The USPS could cut deeply into its losses with one simple step: dropping Saturday delivery.

 [Federal Times](#): Even before he was officially in a position to do much about it, Rep. Darrell Issa, R-Calif., was adamant that the U.S. Postal Service needed to cut costs faster and deeper. After Issa became chairman of the House Oversight and Government Reform Committee this January, the looming question was just how he would push that agenda. The answer: Treat America's biggest mail carrier like the District of Columbia.

 [ITBusiness.ca](#): The Canada Post strike and lockout are over but some e-tailers say it will take a long time to recover from the damage done to their businesses.

 [The Motley Fool](#): Call me a skeptic, call me a Fool, but no matter how good the headlines read, when I get a copy of FedEx's earnings in hand, I always head straight to the cash flow statement to see how the business is really doing. Sadly, the news here is not good.


 [Louisville Courier-Journal](#): Few institutions touch more Americans than the U.S. Postal Service, which six days a week delivers mail to 150 million homes and businesses in big cities and remote areas. And we do more than link the country; we become part of local communities, getting to know our customers and occasionally saving elderly residents who are ill, finding missing children, putting out fires and more. In our spare time, we conduct the nation's largest single-day food drive, replenishing food pantries in your community in tough economic times. That degree of familiarity and personal interaction is why the amount of misinformation floating around about the Postal Service is so counterintuitive. There's plenty of room for differing ideas about public policy, but we should all start from a factual basis — something too many columnists and commentators with an ideological ax to grind fail to do.


 [BBC](#): Jersey's economic development minister has taken action to help Jersey's online mail-order industry. Senator Alan Maclean asked that no new licenses be allowed until a review has been done into the industry. UK Chancellor George Osborne announced changes to a tax loophole that allows island companies to ship low value goods VAT free. Senator Maclean said he had asked the competition regulator to look into the issue. He said he hoped this would help find a way to preserve the island's mail-order industry which employs 1,000 people.




[PR-USA.Net](#): DHL Worldwide Mail, component of the Mail division of Deutsche Post DHL and a workshare companion of the United States Postal Support, delivers domestic and worldwide mail companies with 16 facilities in the US and forty world-wide. DHL GM chose Clarizen Project Management software to help the launch and day-to-day project management of their new 'branded envelope' system into the US market place.


 [ERR News](#): The share of packages mailed to Russia has grown by 20 percent within a year's time, according to Eesti Post. The national postal service's communications director, Inge Suder, said the sharp growth of packages to foreign nations has been specific to Russia. "Trading has become more active with Russia, thus increasing people's interest in sending packages to the east," said Eesti Post logistics director Ansi Arumeel. On average, it takes four to seven days for packages to be delivered to their destinations in Russia.


 [Press Republican](#): Rep. Bill Owens is urging the U.S. Postal Service to retain post offices in the 23rd Congressional District. *[EdNote: Hey, here's an idea. Until Congress is willing to do something positive to save the nation's postal infrastructure, everyone in Congress should remain quiet about plans to consolidate and close superfluous postal facilities. We've heard enough from Members of Congress who are willing to tell you what they don't want. Let's hear a bit about what they're willing to do to ensure preservation of a universal postal system.]*

 [The Toronto Star](#): The mail is moving again, but the labour dispute at Canada Post raises questions about how the service can find its footing in a world dominated by email. Rural and remote communities are dependent on Canada

Post for everything from medicine to food. Others learned to adapt. Small- and medium-sized businesses, dependent on the postal service for invoices, payments and shipping, found alternatives after the June 14 lockout, from scanning invoices to electronic payments, to choosing couriers. The bad news for the union and Canada Post is they have hastened a negative trend for themselves.


 [Calgary Herald](#): Thousands of Canadian postal workers are going back to their jobs this week and while they expect smooth delivery of mail to resume in the hot summer months, the union says the emotional climate at postal facilities across Canada will be anything but warm.


 [The Globe and Mail](#): Canada Post employees can expect a lighter load once they've dealt with the backlog of mail they're facing this week. Thousands of frustrated consumers across the country have made the switch to receiving their banking and cable and utility bills online, in response to the labour dispute between the Crown corporation and its 48,000 unionized employees.


 [Prague Daily Monitor](#): Austrian firms are flocking to the Czech Republic to use its postal services in order to save money, daily Lidove noviny (LN) writes yesterday. Austrian companies have found an interesting way with which to save postal costs. They do not submit their bulk mail for Austrian customers at Austrian post offices, but drive them to the neighbouring Czech Republic, LN writes. Postal services in the Czech Republic are paradoxically cheaper for them than if, for example, they sent a packet from a postal office in Vienna to Linz, it adds. This has been confirmed by some Austrian local authorities whose representatives complain that the Oesterreichische Post national postal service has increased its postal charges, LN writes.


 *From the Federal Register:*


Postal Service	
RULES	
Combined Mailings of Standard Mail and Periodicals Flats , 37655–37659 [2011–16081]	[TEXT] [PDF]
Rules of Practice before Postal Service Board of Contract Appeals , 37660 [2011–15961]	[TEXT] [PDF]

 [Dead Tree Edition](#): The U.S. Postal Service announced today that it will end preferential treatment for time-sensitive Periodicals mail this Friday, a move that could delay delivery of some daily and weekly publications by a day.

 [Northwest Indiana Times](#): We have to match our resources to our mail volume. We have an excess capacity of equipment, staff and facilities to process a declining volume of mail, and need to realign our network to improve efficiency and cut costs to remain viable.


 National Association of Postmasters of the U.S.: On Thursday, House Oversight and Government Reform Committee Chair Darrell Issa (R-CA) offered his legislative contribution to the debate over the future of the U.S. Postal Service. Upon an initial review of H.R. 2309, the measure would dramatically change the role and the nature of the agency, as well as its relationship with the American public. For more detailed information please link to this week's [eNAPUS Legislative & Political Bulletin](#).


 [KHON](#): The U.S. Postal Service has asked members of Congress, including Hawaii Senators Dan Inouye and Dan Akaka, to enact legislation to return the organization to financial stability. In a letter signed jointly by Board of Governors Chairman Louis Giuliano and Postmaster General Patrick Donahoe, USPS urged Inouye and Akaka to support action to: Eliminate current mandates requiring \$5.5 billion annual retiree health benefit pre-payments; Allow the Postal Service to access Civil Service Retirement System and Federal Employee Retiree System (FERS) surpluses; and Give the Postal Service the authority to determine the frequency of mail delivery. USPS is in “a dire financial predicament” according to Giuliano and Donahoe, despite ongoing aggressive cost-reduction initiatives.


 [The Guardian](#): To delay the privatisation of Royal Mail is simply wrong.


 [From USPS to Periodicals Mailers on critical entry times.](#)


June 27, 2011


 **DMM Advisory: USPS Resumes Accepting Mail to Canada** . The U.S. Postal Service will resume accepting mail for Canada starting Tuesday, June 28. This action follows yesterday's order by the Canadian Parliament for Canada Post employees to return to work tonight. Mail that was held in the U.S. Postal Service network is being released today and transported to Canada in stages. Customers will experience some delays in service due to the large volume of mail that was being held. We are working closely with Canada Post to minimize these delays and to return to normal service levels as quickly as possible. Global Express Guaranteed (GXG) remains the best option to avoid delays in service. GXG is available online at www.usps.com and at thousands of participating Post Office locations throughout the United States. Additional information and updates regarding acceptance and movement of international mail is available at www.usps.com/communications/news/serviceupdates.htm.


 [Washington Examiner](#): Congress must establish a mechanism to prevent the sort of poor management and fiscal irresponsibility that has beset USPS' transition into the digital age. A statutory controlling authority that could be empowered to approve all budgets and make all major financial decisions -- in addition to renegotiate existing collective bargaining agreements with postal workers unions -- whenever USPS defaults on any obligation to the federal government for more than 30 days would add a measure of stability to the postal service, protect universal service and eliminate the threat of a taxpayer bailout. Indeed, the U.S. Postal Service is too important to fail, but it's not too late to fix.

 [Computing](#): Catherine Doran has left Network Rail and is set to be the new chief information officer (CIO) at the Royal Mail, according to a spokesperson at the rail company. Doran was director of corporate development at Network Rail, a role she took on following a three-year stint as CIO for the company. Doran has already left the organisation and is expected to start at the Royal Mail as CIO on September 1.

 [CBC](#): Picketing postal workers have forced managers to turn away from the main mail-sorting plant in Halifax. Senior managers at Canada Post faced a wall of picket signs when they arrived at the Almon Street plant Monday morning. Police informed the managers they would not interfere unless there was a physical confrontation. The managers refused to cross the line and left. "As far as we're concerned, it's not over until we report for work," said picket captain Tom Beazley. The postal workers said they were told the first shift begins Monday at 4 p.m. Until then, they said, no one would be allowed inside the building without a police escort.

 [CTVBC](#): Postal workers across Canada returned to work Monday, but they're not happy about -- and members of the Vancouver local plan to demonstrate their frustration. Lower Mainland posties will be gathering in front of the main Vancouver post office, located at 349 West Georgia Street, at noon to rally the Harper government's back-to-work legislation. The bill received royal assent late Sunday, setting the stage for the resumption of mail delivery on Tuesday. It imposes wages lower than Canada Post originally offered before workers began rotating strikes that led to the full-scale lock out, which lasted two weeks.

 [B2B](#): The latest bill introduced in Congress to reform the U.S. Postal Service and help it avoid insolvency has been criticized by American Business Media, an association of trade magazine publishers.

 [Business Wire](#): The 2011 World Mail Award for Technology has been awarded to Neopost, S.A. for its unique EC-500, an innovative solution for the control and validation of trays of mail in sorting centers. "Today, Neopost is leading the way in developing innovative, practical solutions which help postal operators to control and account for their mail operations." Neopost first developed the EC-500 for La Poste of France, which needed to enhance their control over the content of incoming trays of business mail. La Poste wanted to compare physical content with accompanying documentation in a cost-effective way in order to ensure accurate payment. Whereas trays containing

near-identical mail pieces could be easily verified through sampling combined with weighing, the same method cannot be applied to trays containing mixed mail.




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


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


Decreased Volume. Increased Miles. The U.S. Postal Service has experienced a significant decline in mail volume in recent years, yet its contracted surface transportation remains largely unchanged. The Postal Service could use its greater flexibility to end unnecessary contracts, alter necessary contracts, or redesign the system altogether. Highway transportation provides a strong opportunity for cost savings. What do you think of the current contracted surface transportation infrastructure and how would you adjust to new mail volumes? We invite you to share your thoughts on our [blog](#).


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


- **[Carrier Optimal Routing \(COR\) Phase 2 – 11XG040DR000](#)**. We are reviewing the Postal Service management's use of the Carrier Optimal Routing System to perform route adjustments in selected districts nationwide. Postal Service management implemented this system in October 2005. The system is a computer modeling carrier routing and travel optimization program used to configure compact, contiguous, safe, and efficient city carrier routes and assist management with route consolidation. All route evaluation and adjustment decisions are made jointly by teams composed of union and postal representatives. Does this method of adjusting routes provide a benefit to both carriers and management?
- **[Do Not Pay List – 11YG034CA000](#)**. The November 23, 2009, Executive Order titled Reducing Improper Payments and Eliminating Waste in Federal Programs states that when the Federal Government makes payments to individuals and businesses as program beneficiaries, grantees, or on behalf of program beneficiaries, it must make every effort to confirm that the right recipient is receiving the right payment for the right reason at the right time. Additionally, the June 18, 2010, Presidential Memorandum titled Enhancing Payment Accuracy Through a "Do Not Pay List" states that prevention of payment errors should be the first priority in protecting taxpayer resources from waste, fraud, and abuse. Although the Postal Service is not taxpayer funded through appropriations and was not required to comply with the executive order and Presidential memorandum, it could potentially benefit by intensifying its efforts to eliminate payment errors. We plan to determine whether the Postal Service has established processes similar to the required by the Presidential memorandum to reduce payment errors and evaluate how those processes assist in eliminating fraud, waste, and abuse.
- **[Evaluation of the External First-Class Measurement System \(EXFC\) – 11BG016FF000](#)**. The Postal Service's External First Class Measurement System (EXFC) program is intended to measure its performance of delivering First-Class mail and other mail classes. The program relies on contractor support to accomplish the mission. Our objective is to evaluate EXFC requirements, procedures and costs.
- **[Consolidation of Outgoing Operations at the Industry P&DC – 11XG043NO000](#)**. The Postal Service has approved an Area Mail Processing (AMP) proposal to transfer originating mail processing operations from the Industry Processing and Distribution Center (P&DC) for ZIP Codes 917 and 918 to the Santa Ana P&DC. The proposal has a projected annual savings of \$1,321,651 with one-time costs of \$202,968. There are no changes to the retail or business services offered at the Industry facility. Representatives Grace F. Napolitano, Judy Chu, and Adam Schiff requested that OIG review this AMP. This audit addresses operational risk.


 **Linn's Stamp:** "Forever stamps in big coils? Not anytime soon."


 **Postalnews Blog:** The US Postal Service filed its unaudited May financial results late yesterday, showing a loss of \$1.3 billion for the month, most of it caused by Congressionally mandated "trust fund" payments and non-cash adjustments to the future value of workers comp liabilities.


 [IBNLive](#): The Joint Council of Action representing the National Federation of Postal Employees (NFPE), Federation of National Postal Organisations (FNPO), All India Postal Extra Departmental Employees Union (AIPEDEU) and the National Union of Gramin Dak Sevaks (NUGDS) have called the strike protesting against the reforms planned by the centre. NFPE secretary general M Jayakrishnan said in a statement that the Postal Board's implementation of the recommendations made by Chicago-based consultants McKinsey for optimising the mail network will in fact result in the erosion of customers of India Post.


 [Redlands Daily Facts](#): For about seven years, she was thankful to have a job with the Perris post office but found herself plagued by guilt whenever she had to work Saturdays, which like other Seventh-day Adventists she considered a violation of the Bible's Fourth Commandment. She remained hopeful, though, as she used all of her vacation days to keep most Saturdays open for worship and pushed for a transfer to the Loma Linda post office, where for nearly 80 years mail was delivered Sunday, rather than Saturday. Finally in March, she thought her prayers had been answered: She won a transfer to Loma Linda. But what was given was taken away in April, when Loma Linda switched to Monday-through-Saturday delivery.


 [National Association of Major Mail Users](#): Canada Post will begin to progressively re-instate service tomorrow, on Monday June 27. However, in order to ensure an orderly start-up, we will resume our operations in stages, starting with mail processing and transportation, followed by retail and collection and delivery. This means that some employees will start to return to work on Monday afternoon, while others will only begin their first shifts back on the following day, Tuesday June 28. In order to ensure all mail presently in the system is processed and delivered first, all mail in the system prior to start-up is being coded Orange. This mail will receive top priority. All other mail arriving starting as of Monday afternoon (Shift 3) will be flashed with normal SIS procedures. Mail pickup will resume on Tuesday June 28 in urban areas from commercial customers.


 [Canada NewsWire](#): Canada Post has initiated the process to resume operations following the passage of Bill C-6, An Act to provide for the resumption and continuation of postal services.

 [Courier, Express, and Postal Observer](#): Congressman Dennis Ross made the following comment in a discussion on his Facebook page suggesting the alternative to the Issa/Ross bill is privatization. The quote in full: I have sat down with NALC, Rural Carriers, APWU and many others. I have met with the PMG on countless occasions. What your union wont tell you is, the status quo, will lead to privatization of the USPS in less than 5 years and ...a nullification of every contract. The current path of the USPS is financially unsustainable and for the last time, it has NOTHING to do with prefunding. Those are the facts.


 [The Hill](#): Key lawmakers from both parties, and in both chambers, agree that the United States Postal Service needs to make some serious changes. But the legislative prescriptions to bring stability to the USPS are not all on the same page on several crucial issues, including health care and retirement costs, a potential roadblock to bipartisan efforts to overhaul the struggling agency.


 [CTV](#): It should not have come as a great surprise to anyone that Ottawa would ultimately order 48,000 postal workers back on the job. Successive Liberal and Conservative governments have forced an end to disputes at Canada Post six times since the mid-1970s. This marks No. 7. The process has become a ritual dance between Canada Post and the Canadian Union of Postal Workers (CUPW). The two sides negotiate aimlessly for months, the union votes to strike, the two sides inch closer to compromise as undelivered mail piles up and then a government-appointed arbitrator splits the difference. Both sides look ahead to the next time. What makes this episode different is that workers fell into a trap laid by Canada Post and the Harper government. This isn't Ottawa stepping between two squabbling parties. It's the government and the post office essentially conspiring to impose a contract they believe is necessary to cope with the unkind economics of shrinking mail volumes.


 [PostalReporter News Blog](#): This week, Sen. John McCain filed an amendment to S. 679, the Presidential Appointment Efficiency and Streamlining Act of 2011, which would have made it easier for the Postal Service to close Post Offices. Senate Amendment 488 was filed and printed in the Congressional Record; however, Senator McCain did not call the amendment up for consideration. NAPUS Legislative Chairs communicated with their Senators, and urged the Senators to oppose the amendment if it came up for a vote.


 [Wall Street Journal](#): Mail delivery across Canada is set to resume this week after the federal government's upper house of parliament, the senate, approved back-to-work legislation Sunday evening, forcing 48,000 Canada Post employees to return to their jobs and ending a standoff between the Conservative-led government and opposition parties. Senate approval of the legislation came after a 48-hour filibuster--led by Canada's left-leaning New Democratic Party, the country's official opposition party--ended Saturday evening without the Conservatives, who control a majority of seats in the lower house, making any changes to the bill sought by the NDP.


June 26, 2011


 [Post & Parcel](#): An audit of US Postal Inspection Service investigations has suggested that more than 34% of activities do not “directly” support protection of Postal Service assets, staff or the US mail system. A report by the USPS Office of the Inspector General (OIG) suggested that cutting out non-postal casework by the postal enforcement agency would save the Postal Service \$77m a year and \$766m over a decade. However, the findings of the OIG are disputed by USPS management.

 [Canadian Business](#): A senior Canada Post official says mail could be moving by Tuesday if back-to-work legislation wins swift passage. Mail sorting would resume Monday in preparation for delivery the next day should the bill receive royal assent Sunday, Canada Post chief operating officer Jacques Cote told the Senate. During a rare Sunday sitting, senators debated legislation that would order locked-out Canada Post employees to return to their jobs. After giving the bill second reading, members of the upper chamber heard testimony from federal ministers, Canada Post executives and union members. The session followed a 58-hour marathon filibuster in the House of Commons led by the opposition New Democrats. The Conservative benches erupted in cheers after MPs passed the bill Saturday night. See also the [Toronto Star](#) and the [National Post](#).


 [Courier, Express, and Postal Observer](#): The Issa/Ross Postal Reform Bill presents a future for the Postal Service and stakeholders that serves the interests of two of the Postal Service's creditors: the Office of Personnel Management, to whom the Postal Service currently must make payments for retiree benefits and the Department of Labor, which administers workers compensation programs. The bill forces changes in Postal Service operations, labor contracts, and rates all designed to ensure that those payments are made according to the schedules currently in law.


 [Des Moines Register](#): Iowa mayors, other city officials and concerned citizens from around the state met Saturday afternoon in a board room at Iowa Central Community College in Fort Dodge to coordinate their efforts to fight post office closures. The group even emerged with a tentative name: Iowans for Post Office Services. At least 17 cities from around the state were represented in a meeting that attracted more than 40 Iowans. Gov. Terry Branstad, who owns a dozen Iowa post office buildings, was among the group that gathered around a U-shaped conference table. State Sen. Daryl Beall, D-Fort Dodge, and a local staffer for Republican Rep. Tom Latham also attended. Current and retired postal employees were sprinkled throughout the crowd as well.

 **Attention PostalOne!® Users** PostalOne Release 27.0 was successfully deployed to production environment at 8:03 AM CT today. As a reminder there is a new Mail.dat client that must be downloaded for this release. Mailers should delete the old Mail.dat client before downloading the new client or create a new folder for the new client.

 [Postalnews Blog](#): The Rural Carrier Updates blog notes that the National Rural Letter Carriers Association's political action committee contributed \$10,000 to California Congressman Darrell Issa during the 2010 election cycle. According to data published by OpenSecrets.org, the NRLCA PAC also contributed \$10,000 to Issa's "Invest in a Strong & Secure America" PAC. The NRLCA PAC contributed over a quarter of a million dollars to Republican candidates in 2009-2010, including House Speaker John Boehner, Congressmen Paul Ryan and Eric Cantor, and Senator Susan Collins. Democrats in Congress received \$623,000 from the NRLCA PAC. The National Association of Letter Carriers PAC has also contributed to Issa. The NALC contributed \$4,000 to Issa in the 2009-2010 cycle, and actually endorsed him for re-election that year. The union withdrew its endorsement in September after Issa claimed, falsely, that the USPS was looking for a “taxpayer bailout”. In addition to the contributions from letter carriers, Issa also received \$5,000 from the Mail Handlers PAC, \$6,500 from the National Association of


Postal Supervisors PAC, \$5,000 from the APWU PAC, \$7,000 from NAPUS, and \$3,500 from the League of Postmasters.


 [UPI](#): Postal operations could resume as early as Monday night or Tuesday morning.


 [CTV Edmonton](#): It's expected back-to-work legislation to end the Canada Post labour dispute will become law later today. The bill goes to the Conservative dominated Senate today after being passed in the House of Commons following a marathon 58 hour debate. The New Democrats staged a round the clock filibuster that started Thursday night and didn't end until last night.

June 26, 2011


 [The Kansas City Star](#): Postal Service crisis deepening.


 [CTV](#): The government finally pushed through legislation Saturday night to get postal workers back to work next week, following a lengthy filibuster from Opposition MPs that stalled a vote for nearly three days. The back-to-work legislation, derided by the NDP and union groups as anti-labour, passed in the House of Commons just after 8 p.m. after a 58-hour session in Parliament. The government stood behind the back-to-work bill, saying that small business and other organizations like charities were being choked out by the mail dispute. After the vote, Prime Minister Stephen Harper walked out of the chamber with Labour Minister Lisa Raitt to announce the legislation had passed. See also [Bloomberg](#).


 [Glen Falls Post-Star](#): Despite its financial problems, the 236-year-old institution is still the nation's second largest civilian employer (behind Walmart) and is still the largest private purchaser of vehicles in the United States, with more than 218,000 trucks and cars on the road. In a sense, the Postal Service is as much a jobs program for postal and auto workers as it is a means of distributing information. So it will be saved. But that means it's going to have to become more responsive to the dwindling number of people it serves. For that, Postal Service officials should look at the South Glens Falls situation as a microcosm of its problems and an incubator for possible solutions.


 [National Association of Major Mail Users](#): Mail service will resume early this coming week after a 58-hour Opposition filibuster ended tonight when Members of Parliament passed Bill C-106 to end the national postal disruption. The bill that will send CUPW employees back to work needs to be given Royal Assent by the Senate, a process that begins Sunday. Labour Minister Lisa Raitt said in the Commons mail would begin moving 24 hours after that.


June 25, 2011


 [National Association of Major Mail Users](#): Various Members of Parliament have quoted the plight of small to mid-size business owners in their ridings, and the extreme hardship is evident. It is important to note this devastation was happening at the outset with the threat of uncertainty, and escalated during the rotating strikes as mailers chose to use alternatives. Economic recovery is a priority for all business - small, medium and large - and this disruption has wiped out any recovery, inflicting irreparable harm. We report this to you regularly and encourage our members to educate their Members of Parliament, and they obviously have. Our members would have preferred a responsible, sustainable, negotiated settlement and have consistently urged the parties to stay at the table. The Canadian mail industry employs more than 500,000 people, many of them in the vulnerable SME sector. Layoffs and cashflow injury began even before the rotating strikes due to the uncertainty of a stable delivery system, the rotating strikes escalated industry layoffs and cashflow hardships, as clients withdrew mail campaigns. There is no Canada Post without the significant volumes generated by this industry - we are their best sales representatives, we are their largest users. We need to get back to work.


 [Toronto Sun](#): There were signs of movement Saturday morning in the postal deadlock after Labour Minister Lisa Raitt met Canadian Union of Postal Workers' officials and Canada Post negotiators to see whether the two sides would return to the bargaining table. The minister also met NDP MPs Yves Godin and Joe Comartin to see where the official Opposition stood on speeding passage of a government bill to end the dispute.


 [Times & Transcript](#): The bags were growing heavier under the eyes of ministers and MPs who had been debating a single piece of business for more than 30 hours as the sun set over Ottawa last night. And with the NDP determined to stop the bill that will ultimately force 50,000 locked-out Canada Post employees back to the job, there's no saying when there will be time for them to rest their tired eyes. Many of the elected men and women in the House seemed to be growing weary of the debate.


 [National Association of Letter Carriers](#): Rep. Darrell Issa (R-CA), the chairman of the House Oversight and Government Reform Committee, and Rep. Dennis Ross (R-FL), chairman of the committee's subcommittee on the Federal Workforce, Postal Service and District of Columbia, introduced a comprehensive postal reform bill today in the House of Representatives. Sadly, it fails to address the central cause of the financial crisis facing the Postal Service—the destructive and unique mandate to massively pre-fund future retiree health benefits that accounts for 100 percent of the Postal Service's losses over the past four years. Instead, the bill proposes radical changes that would recklessly downsize the U.S. Postal Service in a way that would seriously damage the \$1.3 trillion mailing industry and the entire U.S. economy.


 [American Postal Workers Union](#): Rep. Darrell Issa (R-CA), the powerful chairman of the House Committee on Oversight and Government Reform, has introduced a bill, H.R. 2309, that is “a reckless assault on postal workers and the Postal Service,” said APWU President Cliff Guffey.

 [Sen. Thomas Carper](#): While I welcome Congressman Issa's interest in finding solutions to the Postal Service's serious financial challenges, I, unfortunately, have deep concerns about the approach taken in the legislation put forward today," said Sen. Carper. "This bill appears to assume that the Postal Service will undergo a complete financial collapse in the coming months. Instead of preventing a catastrophic collapse from happening, this bill would abdicate responsibility for cleaning up what would be a colossal financial disaster both for the Postal Service and the broader economy to a newly-created government entity. This is unacceptable. No practical solution for the Postal Services' serious financial woes should allow them to go belly up and jeopardize our fragile economic recovery, along with the jobs of some 7 million employees in the mailing industry who depend on a healthy Postal Service. "We know what needs to happen to put the Postal Service on the right path. Congress just needs to have the courage to do what is necessary to make that happen. Namely, Congress needs to stop acting like a 535-member Board of Directors – each protecting their individual parochial prerogatives – and finally give the Postal Service the freedom and flexibility we always say they should have to make the tough, but necessary, businesses decisions needed to survive and even thrive in the long term. We are just beginning the process of finding a legislative solution to the Postal Service's problems, but we must act quickly to address this dire situation.


 [Rep. Dennis Ross](#): "Postal Service "Overpayment" - Myth v. Fact" The Postal Service argues that if a formula it considers to be fair had been used instead, than it would be owed \$50-\$75 billion by the US Treasury. This is an attempt to rewrite history. The original formula was instituted as part of a broader set of decisions concerning the creation of USPS.

 [Postalnews Blog](#): The separate question of whether the USPS was overcharged for CSRS pensions by \$50-75 billion over the course of its existence is open to debate. Even if it was overcharged, the question of who would actually be owed a refund is tricky- the mailers who paid the lion's share of overcharges aren't the same people who would benefit from lower postal rates today. But it seems clear that the mailing industry paid for more than its fair share of federal employees' pensions over the years, relieving some of the burden that would have fallen on taxpayers. That industry, and the seven million people who depend on it for their livelihoods, deserve some consideration. Crippling the postal service will not help them, or the US economy.

 [Mansfield News Journal](#): U.S. Sen. Rob Portman, R-Ohio, and U.S. Congressman Jim Jordan, R-Urbana, are asking the Government Accountability Office to study the proposed United States Postal Service consolidation of Mansfield processing and distribution center operations into Columbus and Cleveland P&DCs.


 [National Association of Major Mail Users](#): The timing of any postal settlement – legislated (probably) since the parties have broken off talks – remains flexible at this point, as we head into the weekend. Parliament will extend


sitting this weekend to conclude the Bill C-6, and the Senate has been put on notice to be available to provide Royal Assent. The Labour Minister will provide any assistance needed by the parties should they choose to re-start negotiations. It is unclear when Canada Post will actually be operating once a conclusion is reached, however we anticipate it will be within 48-hours. Some amendments have been suggested for the bill by the Opposition leaders but to this time (8:50 p.m. – Friday) they have not been accepted. The filibustering continues and it will only be in the next stage of Committee that amendments would be considered, if at all.


 **PC Magazine:** This should be a case for the FBI, but there is zero evidence that any law enforcement agency is doing much about this scheme or any number of other schemes. The biggest problem with email is fraud. If the USPS had oversight over all email in one way or another, these illegal schemes could be considered mail fraud and something might be done about them, since the requirements for prosecution are less stringent than what the FBI might need. The USPS has always gotten a bad rap, but still provides one of the best physical mail systems in the world. For 44 cents, you can send an ounce of mail cross country to be hand delivered. I mean, just think about that process. I think the opportunity for the USPS peaked when Hotmail appeared on the scene as a free email service. The Post Office should have cloned the idea as many others did. Or it could have partnered with Hotmail or perhaps Yahoo. In the process, we all could have obtained standardized email addressing and formatting. Right now, there is no standard for email. I do not think it is too late for the USPS to introduce a spam-free email system for the public at large. Although, horrible stories about government intrusions have made the public paranoid, so the time might not be right. Over the years, though, the USPS has done a better job of not opening your mail than snoops within a corporation. It's something to think about.

 *At the Postal Regulatory Commission:*


- **National Trial Balance**, May, 2011 (FY 2011) and Statement of Revenue and Expenses, May, 2011 (FY 2011)
[http://www.prc.gov/docs/73/73327/National_Trial_Balance_-_Redacted,_May,_2011_\(FY_2011\).xls](http://www.prc.gov/docs/73/73327/National_Trial_Balance_-_Redacted,_May,_2011_(FY_2011).xls)
http://www.prc.gov/docs/73/73327/NTB_SRE_May2011.pdf
[http://www.prc.gov/docs/73/73327/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20May,%202011%20\(FY%202011\).xls](http://www.prc.gov/docs/73/73327/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20May,%202011%20(FY%202011).xls)
- **USPS Preliminary Financial Information** (unaudited), May, 2011
<http://www.prc.gov/docs/73/73326/Monthly%20Financial%20Summary%20.pdf>
http://www.prc.gov/docs/73/73326/USPS_May2011.pdf

 **Bloomberg:** Canadian lawmakers continued to debate legislation today that would end a three-week work stoppage by postal workers after lawmakers from the opposition New Democratic Party forced the legislature to sit overnight.

 **Alliance of Nonprofit Mailers:** Congressman Darrell Issa (R-CA), chairman of the House postal oversight committee, yesterday introduced postal reform legislation that would make sweeping changes to the current postal model. The bill proposes major structural changes intended to reduce Postal Service costs, eliminate excess capacity, and return the Postal Service to financial solvency. The Alliance commends Chairman Issa for engaging in the effort to fix the broken Postal Service financial model, but strongly disagrees with the proposal to substantially reduce the nonprofit postage rate discount. Congressman Issa's bill proposes to reduce the Standard mail nonprofit rate discount from the current 40% to 10%. This 40% discount would be reduced by 5% a year until it reaches 10%. That 5% reduction would be on top of annual CPI rate increases. The bill would also require a 5% rate increase above the CPI annually for classes such as Periodical mail that are below 90% cost coverage. The Alliance will continue to assert that the Postal Service's financial problems are driven by substantial excess capacity and cost. The way to address this problem is to reduce those excessive costs, not increase rates. It is particularly disheartening to see a proposal to substantially increase nonprofit rates at a time nonprofits are being called upon to do even more for American society. The Alliance will be working with congressional leaders in the months to come to find legislative solutions for the Postal Service's financial problems that do not unfairly impact nonprofit organizations that depend on affordable and reliable mail service.


 [Heritage Foundation](#): Rep. Darrell Issa knows a thing or two about running a successful business. Before winning his seat in Congress, the California Republican turned a troubled company into a profitable enterprise that manufactured car alarms for the world's most well-known carmakers. Issa is now turning his attention to saving the long-troubled U.S. Postal Service. See also [Government Executive](#).

June 24, 2011

 **Attention PostalOne!® Users - PostalOne!® Release 27.0 will deploy to production Sunday, June 26, 2011. The PostalOne! **production environment will be unavailable from 9:00 p.m. on June 25, 2011, through 8:00 a.m. (CDT) on June 26, 2011** during the deployment.**

 **DMM Advisory: IMb™ Services Update - PostalOne! FAST Outage Reminder**

- *PostalOne!*® will deploy to production on Sunday, June 26, 2011. As a result of the deployment, the *PostalOne!* production environment will be unavailable from 9 p.m. CDT on June 25, 2011, through 8 a.m. CDT on June 26, 2011. The Facility Access and Tracking (FAST®) production system will be unavailable from 4 a.m. CDT through 8 a.m. CDT on Sunday, June 26, 2011. FAST Webservices cannot be processed during the *PostalOne!* outage.
- *PostalOne!* Release 27.0 and FAST Release 17.0 will deploy to the Test Environment for Mailers (TEM) on Monday, June 27, 2011. The *PostalOne!* TEM will be unavailable on Monday, June 27, 2011, from 4 a.m. CDT through 12 Noon CDT. The FAST TEM will be unavailable on Monday, June 27, 2011, from 8 a.m. CDT through 12 Noon CDT.

 [OpenMarket](#): When it comes down to outdated business model of the Post Office vs. taxpayers and postal works, Rep. Darrell Issa (R-Calif.) sides with taxpayers and postal workers.

 **[USPS Statement on Legislation Introduced by Rep. Darrell Issa:](#)**

We thank House Oversight and Government Reform Committee Chairman Darrell Issa (R-CA) for introducing the Postal Reform Act of 2011 and look forward to working with him as the bill makes its way through the legislative process.

While there are several provisions in the bill that we agree with, the bill appears to be based on the assumption that the Postal Service's challenges result from too little regulation. The opposite is true. Our financial instability is the result of dramatic loss in volumes, coupled with restrictions imposed by Congress that have prevented the Postal Service from adequately responding to those losses in a business-like fashion.

We strongly oppose a provision in the bill that provides for an additional \$10 billion in borrowing authority from the U.S. Treasury. The Postal Service does not need to incur additional debt — we need the money back that is already owed to us. We also strongly oppose sections of the bill that would create more government bureaucracy and slow our progress on streamlining our operations.


Also, we are disappointed that Rep. Issa's bill does not address core issues that Congress needs to address to enable the Postal Service to return to financial stability, including the need to:

- Eliminate the current mandates requiring retiree health benefit pre-payments, which costs the Postal Service \$5.5 billion annually.
- Allow the Postal Service to access Civil Service Retirement System and Federal Employees Retirement System (FERS) overpayments. The FERS overpayment is estimated to be \$6.9 billion.


We are pleased that the bill recognizes the need for a change in delivery frequency. The bill's provision to move to five-day delivery would save the Postal Service \$3.1 billion annually.


The need for legislative change is urgent. Despite significant and ongoing cost cutting actions and progress on new revenue generation, the Postal Service is in danger of running out of cash as early as this October.


The Postal Service receives no tax dollars for operating expenses, and relies on the sale of postage, products and services to fund its operations.


 [American Business Media on the Issa bill](#): "While [the bill] includes some provisions ABM has advocated for, it also includes a potentially-damaging provision for ABM members. As written, the legislation would require an annual 5% increase for all "underwater" postal products, on top of annual CPI increases, until the product covers at least 90% of its attributable costs. Given the current data on periodical cost coverage and the anticipated CPI increases, this provision would likely result in a more than 20% increase in postal rates over the next three years for ABM members. This provision is simply untenable, and over the last few hours, ABM has already begun to mobilize its resources and align with allies to fight it."


 [The Globe and Mail](#): Canada Post debate drags on, and could for days more.


 [Bloomberg](#): Canadian lawmakers began debating legislation this evening that would end a three-week work stoppage by postal workers, amid threats by the opposition to delay the law by sitting through the night. New Democratic Party leader Jack Layton said Thursday his party has a number of parliamentary "techniques" at its disposal to slow passage of the bill, which would order about 48,000 employees at government-owned Canada Post back to work 24 hours after it is passed into law.

 [Winnipeg Free Press](#): Hours after most MPs believed they'd be on a plane heading off on summer vacations, many were still in Parliament by 6 a.m. ET Friday, debating legislation that would end the lockout for thousands of Canadian postal workers. The bill was introduced on Monday after Canada Post locked out its employees following a series of rotating strikes that began on June 3. All parties hoped it would spur the two sides to reach a deal on their own, and the New Democrats had vowed to stretch out debate in order to buy them more time. But talks between Canada Post and the union collapsed late Wednesday night.

 [At the Postal Regulatory Commission: Sunshine Act Meetings](#) TIME AND DATE: Wednesday, July 13, 2011, at 11 a.m. PLACE: Commission hearing room, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001. STATUS: Part of this meeting will be open to the public. The rest of the meeting will be closed to the public. **The open part of the meeting will be audiocast.** The audiocast can be accessed via the Commission's Web site at <http://www.prc.gov>. MATTERS TO BE CONSIDERED: The agenda for the Commission's July 2011 meeting includes the items identified below. Portions Open to the Public 1. Report on the Joint Periodicals Task Force and the report to the Congress pursuant to section 708 of the Postal Accountability and Enhancement Act (PAEA). 2. Report on legislative review pursuant to section 701 of the PAEA. 3. Report on status of pending dockets. 4. Review of postal-related Congressional activity. 5. Report on international activities. 6. Report on studies to quantify the social value of the postal system. Portions Closed to the Public 7. Discussion of pending litigation. 8. Discussion of contractual matters involving sensitive business information--lease issues.

 [The Globe and Mail](#): MPs gird for a long night of debate over Canada Post back-to-work bill.

 [Washington Post](#): "Congress can't keep kicking the can down the road on out-of-control labor costs and excess infrastructure of USPS," Issa said in a statement. Postal officials said they are preparing a public response to the legislation.

 [Hamilton Spectator](#): The Canadian Union of Postal Workers says it is doubtful negotiations will resume in the face of the Harper government's determination to impose a settlement in the three-week dispute. The legislation has

removed any incentive for Canada Post to compromise because the government is siding with them, a union spokesperson said Thursday. "They are the shareholder of the corporation," said George Kuehnbaum, CUPW national secretary treasurer. "They have a vested interest in what the corporation wants, not what the workers want." Talks between Canada Post and its union broke off Wednesday night. The company said in a news release that the two sides remained far apart on several issues after 72 hours of negotiations.

June 23, 2011



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The latest issue of the [PostCom Bulletin](#) is available online. [Special Bulletin on Postal Reform.](#)

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DMM Advisory: Mobile Barcode Promotion Clarification. We would like to clarify a DMM Advisory message sent last week regarding the Mobile Barcode Promotion. [As correctly stated in the Mobile Barcode Promotion Federal Register final rule](#), commingled, co-mailed and combined mailings are allowed, but a separate postage statement is required for mailpieces with mobile barcodes. A separate postage statement, however, is not required for each mail owner with mailpieces that are a part of commingled, co-mailed or combined mailing. See complete details of the Mobile Barcode Promotion in the [Federal Register](#) final rule, which is now available on [Postal Explorer](#)[®].

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[Rep. Darrel Issa](#): Seeking to prevent another taxpayer bailout, **Rep. Darrell Issa, R-Calif., chairman of the House Committee on Oversight and Government Reform, introduced today legislation to implement sweeping, structural reforms of the United States Postal Service (USPS).** The legislation represents the most fundamental reform of the postal service that has been proposed since USPS was first created from the old Post Office Department. http://oversight.house.gov/images/stories/Legislation/ISSA_044_xml.pdf




[Postal Technology International](#): (You should read what you're missing.)


- **International Post Corporation (IPC)** has announced its commitment to work with the Massachusetts Institute of Technology (MIT) Center for Digital Business to carry out research projects and the publication of **a white paper on the role of postal operators in the provision of digital business platforms** in the coming year.

- **Frank Binauli , Controller of Marketing at Malawi Post:** *What technology in your personal opinion has had the biggest effect on the postal industry?* I would say hybrid mail. I believe that **if all postal operators used hybrid mail today, B2B mail volumes would be up worldwide**, as is the case with those using it. Hybrid mail targets mostly organisations in utilities, insurance, telecoms, government and banking – organisations that normally have bigger mail volumes. On the global scene, I do not see any reason why some mails are sent in their physical form all the way from Europe to Africa, for example.
- **Digital Letters.** There is an opportunity for service providers to optimise production costs and to offer an alternative delivery to those consumers wishing to receive digital mail. Service providers are in an ideal position to harness the opportunities of such a service, with their powerful brand name, tradition of confidentiality and network of retail offices and delivery people that reach an entire population. **The offering of a digital delivery channel would see the connection of the hybrid process and the physical mail channel to offer an alternative delivery system.** The digital delivery channel accepts two inputs – digital information from the hybrid solution and scanned information from the physical delivery process.
- **Package And Parcel Couriers Tracking And Monitoring To Satisfy The Needs Of The Customer And The Industry As A Whole.** In a world where news updates happen by the hour, if not the minute, it is little wonder that people demand to be kept up-to-date with anything and everything that could affect their lives.
- **Hybrid Mail.** Several developing countries have used the introduction of hybrid mail to leapfrog evolution and are using the service to improve speed, quality, security and postal offering.
- **Digital.** One of the ways in which many posts are seeking to grow their businesses is through developments in digital technology. One is e-commerce, the second is digital business and the last is direct marketing.
- **GIS.** The value of GIS-based data systems for postal companies looking for innovative ways to realise new sources of revenue is not immediately clear. And the long-term benefits of adopting GIS only become evident once a post has found a way of successfully packaging and marketing the data it has collected. Even then, simply selling a dataset to an outside party does not usually generate enough revenue to justify the expense of the system.
- **Trusted delivery.** Israel Post as a case study.
- **Digital Opportunities.** Along with the proliferation of email, recent years have brought a meteoric rise in the use of mobile devices and smartphones, which empower field-based workers and enable greater customer interaction. Mobility solutions based on auto-ID technology offer great potential for postal specialists looking to achieve business growth through innovation.
- **Expedite Postal Revenue Growth.** While mail volumes are declining or with some exceptions remaining stable, postal operators counteract this development with different options. They may lower the costs of core processes, increase discounts or increase diversification into financial services (such as retail banking or payment transaction services) or basic insurance products. A fourth possibility – though not contributing to growth – combines traditional and digital products, with postal operators cannibalising their own business rather than lose out to competitors and new market conquerors such as telco providers. Then there is a fifth option: ‘Solutions Business’. **The growth potential is induced by offering industry-specific solutions to customers by integrating products and services that are customised according to their needs.**
- **Cost Effective Digitization.** Physical mail is subject to the privacy of letters. For this reason postal companies enjoy a unique trusting relationship with their customers. To ensure the same level of trust when it comes to digital communication, Swiss Post and Siemens have decided to co-market a solution for reverse hybrid mail. This service is based on Siemens’ Trust-Ebox automation solution and the experience that Swiss Post has gained in electronic mail delivery.



[Rep. Mike Ross](#): U.S. Congressman Mike Ross of Prescott on Wednesday issued the following statement after the U.S. Postal Service announced it would be closing three post offices in Arkansas’s Fourth Congressional District: Boles and Parks in Scott County and Ozan in Hempstead County. “Throughout the Postal Service’s review process, I have been adamantly opposed to these closures and am disappointed by the final decision,” said Ross. “These post offices are in very rural areas surrounded by many people on a fixed income, particularly seniors, who need postal services close to their homes. Now, folks in rural areas will have to drive even further adding hardship onto those who are already struggling to get by as it is. I have and will continue to strongly urge the Postal Service to explore other cost-cutting alternatives in ways that don’t disproportionately hurt people on fixed incomes or those that live in rural areas.”

 [Rep. Darrel Issa Tweet](#): This story is bad news for taxpayers. I'm introducing major [#postal](#) reform today to stop a [#bailout](#). More to come: <http://fxn.ws/IKcCiH>

 [Halifax Media Co-op](#): There are several complexities that reporters and editors may not be familiar with when it comes to labour reporting. For example, when the partial lockout occurred, the union representing the locked out workers, the Canadian Union of Postal Workers (CUPW), declared the locked out workers to be on strike. This is not because the workers chose to strike that day, but instead, by declaring those members on strike, the union was able to protect workers who were not locked out from being pressured or disciplined for refusing to do the work of their locked-out co-workers. It is the responsibility of reporters and editors who intend to cover labour issues to understand these issues in order to cover labour issues fairly and accurately. This example, though, is just one small example of the corporate and public media's lack of fair, critical, and accurate coverage of the labour dispute.

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

- The U.S. Postal Service has informed the Office of Personnel Management (OPM) of its intention to suspend its employer's contributions for the defined benefit portion of the Federal Employees Retirement System (FERS) to conserve cash and preserve liquidity. The Postal Service has a FERS account surplus valued at \$6.9 billion.
- The US Postal Service is facing serious challenges. OPM is sympathetic to the situation in which the Postal Service finds itself, and we stand ready to help the Postal Service in whatever way we can, consistent with our legal obligations and role as the fiduciary for the Retirement and Disability Trust Fund (the Fund).
- Sen. Tom Carper said that "the drastic action by the U.S. Postal Service underscores the urgent need for Congress and the Administration to act quickly to address the serious financial problems facing the Postal Service. In essence, this is the canary in the coal mine moment for the Postal Service. If we don't heed this warning and act quickly, the Postal Service as we know it will cease to exist in the very near future, possibly by the end of this fiscal year."
- According to the Courier, Express, and Postal Observer, "last week, Businessweek told many of its Washington DC customers that the Postal Service will no longer deliver the magazine. Instead, the weekly magazine will use the Washington Post's delivery service to deliver the magazine early on Friday morning at the same time that it delivers newspapers."
- The Courier, Express, and Postal Observer said, "the previous post, "Businessweek fires the Postal Service," identified a recent effort of a major mailer to switch to alternative delivery. Previously, this blog has noted that Valassis has expanded its use of alternative delivery for saturation advertising in the post, "Is it time to Choose Alternative Delivery." The Businessweek move may be more significant."
- In a postal perceptive by Gene Del Polito, he said, "we need ideas. Congress needs ideas. Heck, the nation needs ideas. Let's get a real discussion going because without any new ideas, in short time, we may very find that our nation's postal system will become intellectually and financially bankrupt."
- Ross points to tax hike study as why USPS should prefund retiree benefits. Bernstock coverage wins investigative journalism prize for Fed Times. Pawlenty's really bad answers. PRC approves changes to NSA cost models for ACR. USPS notifies 1,700 employees their jobs will be cut. An end to the Postal Service's Wall Street Journal subsidy? Postal Service cuts electricity use, increases petroleum needs. Navistar awarded USPS delivery fleet contract. Every Door Direct Mail tunnel vision. Airports authority expected to pick former PMG as next leader. Postal Service wins gold. US digital mail providers in push to attract customers. Europe provides important lessons for the Postal Service. VER to be offered to carriers and clerks in select locations. FedEx reports higher 4 th quarter earnings. PRC's Goldway on FSS, the ACD filing, and catalog elasticity. ECS awarded \$155.8 M contract to manage NCSC.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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[National Association of Letter Carriers](#): The Postal Service has informed the NALC that employee contributions to FERS (0.8 percent of pay) will continue. However, it also told the union that the USPS and OPM disagree about whether the Postal Service can satisfy its bi-weekly FERS obligations with the surplus pension funds. The two agencies have agreed to ask the Department of Justice to decide the matter, and to continue to award service credit under FERS. In response, NALC President Fredric Rolando said, "This action by the Postal Service to use the postal surplus in FERS to meet its payroll obligations to FERS does not directly affect our members, because OPM has agreed to continue to award service credit under FERS until the Department of Justice resolves the issue." But he added, "The Postal Service action drives home the need for Congress to resolve the problems caused by its 2006 mandate that the USPS pre-fund future retiree health benefits."

[New York Times](#): The FedEx Corporation's quarterly profit and outlook beat forecasts on Wednesday as higher shipping rates and tight cost controls more than offset a slowing economic recovery and high fuel prices. FedEx, which ranks No. 2 behind United Parcel Service among package shipping companies, has been able to pass through higher costs via fuel surcharges and still has room to raise prices without widespread retaliation from consumers, many analysts said. "Pricing and expense control" drove FedEx earnings up even as it navigated harsh weather, an economic soft patch and supply chain disruptions caused by Japan's earthquake, and lofty fuel costs, said Peter Nesvold, a Jefferies & Company analyst.

[Directions Magazine](#): African countries have postal systems as unique as the patterns on giraffes' coats; no two are alike. As a result, GfK GeoMarketing's cartographers had to painstakingly track down information on postal systems and regional boundaries throughout Africa in order to create a reliable cartographic basis for the entire continent. GfK GeoMarketing released these new digital maps for all 56 African countries in May 2011. The maps provide up-to-date coverage of at least the two-digit postcodes for all countries that have postal systems. In the case of Kenya, Swaziland, South Africa and several others, more detailed postcode boundaries are available.


[Telegraph-Journal](#): "Who wins with back-to-work legislation?" a CTV news headline asked rhetorically last weekend. That's easy, at least in the context of the recent Canada Post and Air Canada labour disputes; the long-suffering Canadian public wins, along with a substantial minority of unionized workers whose lives are disrupted when more militant factions insist on strike action. But the biggest winners of all are the many businesses (and their employees) that rely on the postal system and air travel to conduct affairs of commerce, always the primary drive-by collateral casualties of strikes affecting vital infrastructure services.


[UPI](#): Parliament had been scheduled to recess for the summer Thursday, but the opposition socialist New Democratic Party and Liberals said they would prolong debate through the weekend if necessary to allow the talks to resume. The bill will ultimately pass with the Conservatives' majority, but would then have to be approved by the Senate, where minority Liberals have vowed to slow it down as well, the report said.


[Postal Employee Network](#): PMG Pat Donahoe — in a video message to employees — says the suspension will not affect them. Noting that USPS has a surplus of \$6.9 billion in payments to FERS, he says "We simply are stopping this ongoing overpayment toward the annuity FERS retirees receive because we have already met that obligation." Donahoe says the suspension is "only a stop-gap measure," adding Congress must approve legislation that can help the Postal Service return to profitability. As he has in the past, the PMG urges Congress to eliminate the requirement for pre-payments to the retiree health benefits fund; grant USPS access to the FERS overpayment; and give the Postal Service flexibility to determine the frequency of mail delivery.


[Brand Republic](#): Royal Mail claims that 80 advertisers have used its Advertising Mail service in just three weeks. The Advertising Mail service has been introduced as a product designed to support direct mail. The service launched


three weeks ago and its aim is to make direct mail more cost effective and competitive with other forms of advertising. Royal Mail claims that more than 14 million items have been posted since its launch.


 [ABC News](#): A U.S. Postal Service decision to suspend employer contributions to a postal worker retirement account is causing alarm among its employees.


 [Politico](#): It looks like they'll be conducting the Nevada House special election the old fashion way after all. The reason is the U.S. Postal Service would require that all ballots be sent and returned by first-class mail. There also would be printing costs for the ballots. "It would definitely be more expensive to do mail," he said. "Until the Postal Service lets us use third-class mail, it is always going to be more expensive to do mail elections."


 [CNBC](#): U.S. state and local governments will need to raise taxes by \$1,398 per household every year for the next 30 years if they are to fully fund their pension systems, a study released on Wednesday said. The study, co-authored by Joshua Rauh of Northwestern University and Robert Novy-Marx of the University of Rochester, both of whom are finance professors, argues that states will have to cut services or raise taxes to make up funding gaps if promises made to municipal employees are to be honored. Pension funding in U.S. cities and states has deteriorated in the wake of the 2007-2009 economic recession as investment earnings dropped, and some states, such as New Jersey and Illinois, skipped or reduced required payments.

 In response to the above, [Rep. Dennis Ross](#) tweeted: "If there are no changes in the payment schedules to reflect overpayment of either FERS or retiree healthcare benefits then the Issa/Ross bill will need to find quick reductions in Postal Service costs elsewhere. There are few options but all will likely affect both compensation to postal employees and service to postal customers."

 [Canada Post](#): Despite intense negotiations over the past 72 hours, Canada Post and the Canadian Union of Postal Workers (CUPW) have not been able to reach an agreement and talks between the two have broken off. Every effort has been made to reach a negotiated settlement that is in the best interests of employees, customers and the company. The company and union still remain far apart on several issues. Canada Post still has a fair and generous offer on the table—one that protects the pay, pension and job security of existing employees. Employees hired in the future would be offered wages and benefits that are superior to those offered by competing logistic and delivery companies. Canada Post is unable to accommodate the union's demands without jeopardizing its financial viability. The company simply cannot become a burden on Canadian taxpayers or expect to pass on additional costs to customers who rely on affordable shipping solutions. Canada Post must now find ways to deal with the financial damage caused by the work disruption.


 [Courier, Express, and Postal Observer](#): In a tweet, Representative Dennis Ross hinted that the bill that Representative Darrell Issa and he will introduce tomorrow will not contain any change to the payment schedules for retiree obligations that are now contained in all other postal reform bills.


 [Multichannel Merchant](#): Catalogs are a "hugely important part of the mail." That was the message from David C. Williams, U.S. Postal Service Inspector General, to attendees at the National Catalog Forum. The show was held in Washington June 21-22 by the American Catalog Mailers Association. The USPS is on the verge of insolvency as of September, when it will be unable to make the \$5.5 billion payment. Total mail volume declined 41 billion pieces since 2007. "At the end of the day, you need a plan, and you need to have time to evaluate the way costs are attributed," Williams said. "We need a better cost pricing structure."


 [Multichannel Merchant](#): The U.S. Postal Service's \$1.5 billion flats sequencing system (FSS) equipment hasn't lived up to expectations, according to Ruth Goldway, chairman of the Postal Regulatory Commission. During her Tuesday session, "How the Postal Regulatory Commission Thinks," at the fourth annual National Catalog Forum, presented in Washington June 21-22 by the American Catalog Mailers Association, Goldway said the PRC has questioned the FSS projected savings for years. "We've been giving them the benefit of the doubt and were hopeful about it." The USPS has said the implementation of FSS machines would improve efficiencies and control costs by automating the sorting of flat mail. The Postal Service believed FSS will eventually enable it to sort flat mail in carrier walk sequence at speeds of 16,500 pieces per hour. But the FSS implementation process started slow and has


been stalled thanks to the decline in flat mail volume and the financial condition of the Postal Service. Most ACMA Forum attendees believe the Postal Service's costing methodology regarding Standard Mail flats is flawed.


June 22, 2011

 [The Hill](#): The U.S. Postal Service announced Wednesday that it was taking new cost-cutting measures with a retirement program, but lawmakers from both parties reiterated that much more needs to be done. In its latest bid to shave costs, the Postal Service has said it will stop contributing to the Federal Employees Retirement System (FERS), a move it says will save roughly \$800 million this fiscal year. But Rep. Darrell Issa (R-Calif.) and Sens. Susan Collins (R-Maine) and Tom Carper (D-Del.) said that, essentially, the mail carrier's move was just a drop in the bucket. Issa and Collins both noted that the Postal Service is expected to run a deficit of more than \$8 billion this year. The Maine Republican — the ranking member on the Senate Homeland Security Committee, which oversees the Postal Service — also expressed concern that USPS wouldn't be able to meet its payroll by late next year. "USPS needs fundamental structural and financial reforms to cut costs and protect taxpayers from an expensive bailout," the chairman of the House Oversight Committee added.

 [WWMT](#): A senator who oversees the Postal Service says the agency's decision to suspend its pension contributions is a warning that the post office is in severe trouble. [Tom Carper of Delaware](#) says unless there's quick action, "the Postal Service as we know it will cease to exist in the very near future."

 [Canada One](#): When it comes to their opinion on how the Canada Post strike lock-out affects their businesses, Canadian small business owners have changed their tune. CanadaOne has seen a major swing in the perception of Canadian small businesses that participated in our Canada Post Strike survey. In the early weeks of the strike and for the first few days of the lock-out, most Canadian small businesses said that the postal strike would negatively affect their efficiency (75 per cent) with just 55 per cent saying the strike would negatively affect their ability to get paid. While the impact on efficiency remains the most cited negative impact (80 per cent), what is interesting is the sharp increase in the number of small businesses that have now said the strike negatively affects their ability to get paid.

 [Advertising Age](#): Companies are waking up to the business value of customer experience. Many have made customer experience a strategic priority and have dedicated teams to oversee customer-experience efforts. Yet consumers report that their customer experiences with roughly two-thirds of U.S. brands range from just OK to downright bad. Lackluster interactions plague every industry and every channel. The root cause of this dilemma? Tunnel vision.

 [Washington Times](#): The money-losing U.S. Postal Service is hoping the Justice Department will resolve a dispute with the U.S. Office of Personnel Management (OPM) over the fate of billions of dollars in overpaid retirement payments for postal workers. The rare request for the Justice Department's intervention will affect more than postal retirees, but billions of dollars that postal officials say they need to free up cash to pay contractors, suppliers and employees. The Postal Service said Wednesday it will suspend its contributions to its employees' pension fund.



[Office of Personnel Management](#):

The US Postal Service is facing serious challenges. OPM is sympathetic to the situation in which the Postal Service finds itself, and we stand ready to help the Postal Service in whatever way we can, consistent with our legal obligations and role as the fiduciary for the Retirement and Disability Trust Fund (the Fund).

There is currently a surplus in the portion of the Fund covering Postal Service employees. The Postal Service's position is that, in light of this surplus, it should be permitted to suspend making Federal Employees' Retirement System (FERS) annuity contributions. We understand that, based on this position, the Postal

Service intends to cease making further FERS annuity contributions effective June 24, 2011.

Both the Postal Service and OPM have agreed to seek a resolution of the important legal issues surrounding the Postal Services' decisions by submitting a request for a legal opinion to the Office of Legal Counsel (OLC) at the Department of Justice.


Our aim is to protect the Postal Service employees to the greatest extent possible under the law. We have thus determined that while these issues are pending with OLC, we will be able to continue to give employees who retire credit for service rendered after the Postal Service ceases making FERS annuity contributions on June 24.


This determination is supported by the Postal Service's assurance it will make the FERS annuity contributions it is now ceasing if OLC disagrees with its position. This means that there will be no negative impact on future postal employees' retirement. Current postal retirees will not be impacted at all. It is our most fervent hope that the issue is resolved as quickly as the law allows.





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


- [Internal Controls Over Facility Rental Income \(Report Number DA-MA-11-003\)](#). We found that the Postal Service controls over the collection and recording of rental income need improvement. Specifically, we were unable to reconcile payments between the tenant agreements between the facilities realty asset management system, the outlease sublease system, and the general ledger for 10 of 30 sampled tenant agreements. This happened because the accounting system did not adequately support the monitoring and tracking of rental payments at the tenant/customer account level. The roles and responsibilities of two of the systems were not clearly defined as to how they related to the management and oversight of rental income. Lastly, manual processing increased the risk of errors associated with the monitoring and tracking of rental payments.
- [New Approaches to Reduce Costs \(Report Number FF-AR-11-009\)](#). We found the Postal Service has opportunities to save \$143 million annually by reducing costs for investigative activities and armed security forces, expanding the Forever Stamp™ program, and reducing employee benefits to align with other federal government agencies.
- [Purchasing Compliance and Imprudent Purchases Follow-Up Audit \(Report Number FF-AR-11-010\)](#). Since our last audit review in fiscal year (FY) 2009, we found that the Postal Service has improved the effectiveness of local purchasing activities and reduced spending of employees using the SmartPay® Purchase Card. For example, the Postal Service decreased SmartPay purchases from \$266.7 million in FY 2009 to \$239.4 million in FY 2010 and recently created two purchasing shared services centers (PSSC) to improve oversight of local purchases and advise field managers on controlling expenditures. Yet, during our recent review, we identified employee purchases that did not comply with Postal Service policy. We also found an opportunity to further improve the effectiveness of the PSSCs. The Postal Service has an increased risk of loss when employees make purchases without proper authorization or justification. Additionally, purchases that appear to be imprudent are not in the agency's best interest and could negatively impact the Postal Service's public image and brand.


 [PRNewswire](#): Electronic Consulting Services, Inc. (ECS), a leading provider of information technology and system engineering services to the Federal Government, announced today that it has been awarded a ten year contract with an estimated award value of \$155.8 million if all option periods are exercised from the United States Postal Service for the National Customer Support Center (NCSC) in Memphis, TN.


 [The Independent](#): The threat of strikes by postal workers in London in a dispute over jobs was lifted today when a deal was reached with the Royal Mail. The Communication Workers Union said that following weeks of intensive talks, guarantees had been given of no compulsory redundancies in the capital despite the planned closure of a number of centres.


 [Canadian Labour Reporter](#): The Harper government says it hopes to finish debating the Canada Post back-to-work bill by Thursday so that it can quickly send the bill on to the Senate for final passage. Government House Leader Peter Van Loan says that he believes legislation will be passed by the end of the week when MPs in the House of Commons are dismissed for summer holiday. The NDP, however, is vowing to delay its passing.

 [Fox News](#): Rep. Darrell Issa on Wednesday called for the U.S. Postal Service to clean itself up to avoid a potential taxpayer bailout, after the broke mail service announced it is suspending its employer contribution to its pension plan. "The United States Postal Service, our nation's second largest employer, is now past the brink of insolvency," said Issa, chairman of the House Oversight and Government Reform Committee. "This would not be tolerated in a private company. ... USPS needs fundamental structural and financial reforms to cut costs and protect taxpayers from an expensive bailout," Issa said.

 [American Postal Workers Union](#): The American Postal Workers Union is working fervently to make certain that the Postal Service's decision to suspend employer contributions to Federal Employees Retirement System (FERS) does not negatively affect the nation's postal employees, President Cliff Guffey said on June 22. "We will take every step necessary to ensure that retirement benefits are protected. We are currently evaluating the best course of action."

 [Bloomberg](#): The U.S. Postal Service, facing insolvency without approval to delay a \$5.5 billion payment for worker health benefits, will suspend contributions to an employee retirement account to save \$800 million this year. "The Congress and the administration have left the Postal Service with no other choice," said Gene Del Polito, head of the Association for Postal Commerce, an Alexandria, Virginia- based group that represents postal customers. "The money's not there, and they can't get any more from customers that already are fleeing the mail."

 [Coalition for a 21st Century Postal Service](#): "The U.S. Postal Service is hanging by a thread, and 8 million private sector jobs along with it," said Art Sackler, coordinator of the Coalition for a 21st Century Postal Service, a group representing the private sector mailing industry. "This underscores the need for Congress to make quick, bold and substantive reforms to the Postal Service."


 [Courier, Express, and Postal Observer](#): FedEx Ground delivery volume grew 6% in the quarter which is stronger than total industry growth. This growth was paced by FedEx SmartPost where "average daily volume increased 24% due to growth in e-commerce and gains in market share. FedEx SmartPost revenue per package increased 8% primarily due to growth in higher-yielding services and increased fuel surcharges."





Press Release: **The U.S. Postal Service has informed the Office of Personnel Management (OPM) of its intention to suspend its employer's contributions for the defined benefit portion of the Federal Employees Retirement System (FERS) to conserve cash and preserve liquidity. The Postal Service has a FERS account surplus valued at \$6.9 billion.**




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


 [Financial Times](#): The Post Office has launched a new version of its prepaid travel card, allowing holidaymakers to top up their balances online, on the phone, or via text message. Cards can be loaded with up to £5,000 in either sterling, euros or US dollars and exchange rates are locked in at the level they were on the day the money was purchased. Customers can then use the card like a debit card when on holiday, paying for goods and services using chip and PIN machines, or withdrawing cash.


 [The ChronicleHerald](#): All rural post office workers in the Maritime provinces are represented by the Canadian Postmasters and Assistants Association, which settled a contract last year with Canada Post that won't expire until Dec. 31, 2014. Urban postal workers, along with those sorting and trucking mail, are on strike — their contract between the Canadian Union of Postal Workers and Canada Post expired this spring. Rural Nova Scotians are used to travelling and corresponding with service centres for everything from medical treatment to car insurance. Guysborough, which neighbours Boylston, is one of those centres, and the lack of mail delivery has affected residents and businesses in different ways.


 [Winnipeg Free Press](#): Shelters catering to both humans and animals were struggling to keep cash flowing through their doors as Canada Post's labour strike moved into its second week. Many non-profits throughout the city are scrambling to find solutions to keep funds flowing.


 [Toronto Star](#): In a rare move, the proposed back-to-work legislation to end the postal dispute sets out a wage settlement that is actually lower than Canada Post's last offer.


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


 Swedish Posten AB could be forced to pay damages of almost 11m euros as the result of a lost legal dispute. The trigger were abuse proceedings launched by Bring CityMail Sweden AB, a subsidiary of the Norwegian post.


 TNT Post plans to boost its business in Italy through co-operation with Gruppo Buffetti. The company claims to be Italy's leading provider of office supplies.

 Royal Mail significantly reduced its gigantic pension fund deficit last year despite the worsened profit situation.


 After RSZustellservice (11 employees) launched operations in the Voralberg region at the beginning of this year (CEP-News 06/11), a second letterservice now entered the market in Styria. The Hurtigflink service - active in the leaflet and advertising mail distribution until now - has been granted a licence for delivering letters weighing up to 50 grammes.


 The Federal Network Agency accused Deutsche Post of hampering free competition by the pricing of its subsidiary First Mail.


 GLS achieved satisfactory turnover and volume increases in the business year 2010/2011. Altogether the European parcel network of Royal Mail transported 363m parcels last year, a plus of 5.2%. However, this development was subject to considerably pricing pressure.


 Four of the five German parcel services intend to increase their prices.


 India Post will co-operate with retail chain Fabindia in the future. The first postal shop was opened in one of the retail chain's stores in New Delhi last week. Fabindia operates 140 stores in 58 cities in India and is the country's largest retail platform.

 Irish letter service CityPost (revenue 2010: 16m euros) took over direct mail distribution company Publicity Mailing. With its 165 employees Publicity Mailing will almost double the workforce of CityPost.


 E-commerce is further booming in Germany. Especially 'Mobile Commerce', sales via smartphones, is expected to grow fast.


 Posta Romana (turnover 2009: 339m euros) plans to cut costs with a radical restructuring programme. Among other things 7 of the 11 subsidiaries will be dissolved and 145 executive jobs will be cut.

 Australia Post unveiled its new post office concept for the first time. The 'post office of the future' was supposed to be 'the first of many exciting changes' to transform 'Australia Post into a more customer-focused organisation'.

 Compensations for customers affected by the IT chaos at Poste Italiane (CEP-News 23/11)

have been specified last week. A spokesman for the consumer body Codacons confirmed that customers who have to wait over 2 hours will be entitled to postal services worth 50 euros. For every additional hour spent, customers will receive another 25 euros. Retirees over 65 additionally won't have to pay any fees for their postal bank account for one year. Alternatively they can choose a three-months casualty insurance worth 45 euros for free. Affected customers can apply for compensations until the end of this year.

 [Swiss Post](#) wants to enter the bicycle rental market before the summer holidays.

 [Spanish Correos](#) invests 12.4m euros to allow payments with credit and debit cards in its post offices.





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.)*




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NOTICES	
New Postal Products , 36583–36584 [2011–15506]	[TEXT] [PDF]
Postal Service	
RULES	
Rules of Practice in Proceedings Relative to False Representation and Lottery Orders , 36320–36326 [2011–15518]	[TEXT] [PDF]


 [Toronto Sun](#): The Senate might refuse to give immediate sober second thought to a Conservative bill that would force postal service to resume across Canada. Government House Leader Peter Van Loan said MPs have little time to debate and pass a back-to-work bill that would end the Canada Post lockout and hand off the dispute to an arbitrator.


 [TVNZ](#): New Zealand Post says it's working to improve the Post Shop-Kiwibank network and postal services despite the closure today of two Post Shops and five others shutting over the next two weeks.

 [The Guardian](#): After more than a week of rotating strikes across the country, Canada Post locked out 48,000 unionized workers June 14, shutting down its mail service. Canada Post said the main issue is staffing levels, not wages but the legislation means unionized workers would get smaller pay increases than the company was willing to pay in its last offer.

June 21, 2011


 [PEN Postal News](#): Voluntary Early Retirement to be offered to carriers and clerks in select locations. In a move to further right-size complement levels to better match workload, the Pacific Area is offering a voluntary early retirement (VER) to carriers and clerks working at select impacted sites and at non-impacted offices within a 50-mile radius of the impacted sites. VER offer sites and timelines will be announced when the information becomes available.


 **Mediascoop:** As representatives of independent Canadian publications, we were alarmed to see yesterday's statement from Magazines Canada CEO Mark Jamison applauding Minister of Labour Lisa Raitt's decision to introduce back-to-work legislation to force locked-out Canada Post employees back to work.


 **Business Wire:** -Navistar, Inc. has been awarded a development contract by the United States Postal Service (USPS) under which Navistar will engineer a diesel powertrain replacement for USPS delivery vehicles. Navistar's re-powered diesel vehicle effort is designed to significantly reduce the escalating service and fuel costs associated with the USPS's aging fleet.


 *At the Postal Regulatory Commission:*


ECONOMIST VACANCY http://www.prc.gov/PRC-DOCS/EMPLOYMENT/062111%20Economist%20PRC%2006-05_DRAFT_1869.pdf
DATA MINER VACANCY http://www.prc.gov/PRC-DOCS/EMPLOYMENT/062111%20Data%20Miner%20PRC%2006-03_DRAFT_1868.pdf
MEDIA RELATIONS VACANCY http://www.prc.gov/PRC-DOCS/EMPLOYMENT/Media%20Relations%20PRC0602%20FINAL_1863.pdf


 **National Post:** The current lockout will undoubtedly encourage hundreds of thousands of Canadians to sign up (finally) with their banks, credit card companies, oil companies, department stores, utilities and others for electronic bill delivery and payment, and for direct deposit of cheques, too. The business Canada Post loses from the current labour dispute will never come back because a) there are alternatives to the mail — lots of them — and b) the alternatives are superior in terms of speed, cost and efficiency. Whenever and however the lockout is resolved, there will be even fewer Canadians than there are now using Canada Post. The 17% drop off in first-class mail volumes in the past five years will be topped by a 30% drop off over the next five. It's simply no longer necessary for a government or a government-owned entity like Canada Post to have a monopoly over the mail.

 **Zacks:** FedEx is one of the closest Air Freight & Logistics stocks near its 52-week high. It is now trading at 89% of its 52-week high of \$98.52. The stock has risen 25% from its 52-week low. These levels are important to watch as breaking out to new highs is a very bullish signal.


 **The Canadian Press:** The federal Conservatives are trying to limit debate on legislation designed to end the labour dispute at Canada Post. The opposition parties are trying to scuttle the bill. But the Tories want to narrow the time members of Parliament are allowed to speak in the House of Commons about the legislation.


 **Marketwire:** The President of the Alberta Division of the Canadian Union of Public Employees (CUPE) is speaking out against the Conservative Government's attempts to legislate an end to the lock out at Canada Post. "First they lock out their employees, halting postal service in the country – then they decide they can't live without them and force them to work through legislation," said Marle Roberts, President of CUPE Alberta.


 **Post & Parcel:** Digital postal mail providers in the US are now beginning major publicity drives to get consumers to sign up for their services. Publishing giant Hearst brought its Manilla service out of its beta phase this month, and has launched a marketing campaign making the most of its stable of consumer magazines – which includes Marie Claire, Cosmopolitan and Elle magazines – to push the new digital offering. And, California firm Zumbox has now launched its own consumer campaign, offering people the opportunity to win prizes for signing up to its digital mailbox service, including the chance to win one million dollars.


 **Intelisent:** Horror stories (USPS sales calling on customers that are currently already in the mail stream) and complaints are still coming in to me from Mail Service Providers on the EDDM program. Down-selling is rampant. With the USPS working very hard to promote the program - often to the wrong target market - the USPS is eroding the very class of mail they need in order to survive, First-Class mail. The practice of selling to existing permit holders, little effort in the way of pre-qualification, and no tracking of conversion rates (First-Class customers switching from First-Class to EDDM), the USPS is, and will continue to be, painting a cloudy picture of EDDM


success. If mail is removed from the First-Class mail stream, and replaced at a far lower rate - is that success? Or further erosion?


 [Washington Post](#): The governing body of two of the Washington area's main airports is expected to tap the former head of the U.S. Postal Service on Wednesday as its next chief executive, according to sources familiar with the search. John E. "Jack" Potter, the recently retired postmaster general, has emerged as the leading candidate to take over the Metropolitan Washington Airports Authority, which oversees Reagan National and Dulles International airports and the multibillion-dollar project to extend Metrorail to Dulles and Loudoun County.


 [Bay Today](#): In an open letter to members today North Bay and District Chamber of Commerce President John Strang encouraged members that are impacted by the current Canada Post strike to contact MP Jay Aspin and encourage him to support the legislation. He said, "We've given postal workers and Canada Post ample time to negotiate and it appears that they've reached an impasse, so we're looking at the broader Canadian public here the broader economy."


 [Coin Week](#): U.S. Postal Service inspectors are investigating the fraudulent use of stolen American Express credit cards to purchase apparently tens of thousands of dollars of gold coins.

 [Twin Cities Daily Planet](#): Many European nations have successfully restructured their postal services, proving that it is possible for the USPS to retain its unique advantages over private carriers. Some have moved post offices to alternative locations such as convenience stores. Although initially unpopular, this measure has saved costs without compromising services, and may be a good way for the USPS to become financially viable without compromising its extensive network. In addition, European mail carriers have been adopting new technologies to provide the public with innovative products and services. Swedes can convert their digital photos to postcards through their postal service, and will soon be able to mail letters not with stamps but rather with numerical codes received via text message. Innovations like these can help make the USPS even more cheap and convenient and ensure that it stays relevant into the future. The USPS's impending insolvency may mean that it has long since become financially unsustainable, but it does not mean that the services it provides are no longer vital. By learning from other countries that have faced the same problem we can restructure the postal service in a way that does not compromise the reliable services it has offered since its inception.


 [Courier, Express, and Postal Observer](#): Last week Businessweek told many of its Washington DC customers that the Postal Service will no longer deliver the magazine. Instead, the weekly magazine will use the Washington Post's delivery service to deliver the magazine early on Friday morning at the same time that it delivers newspapers. In an interview, Bernie Schraml stated that Washington DC is the fourth market that Businessweek has turned to alternative delivery. It started the shift in Philadelphia in December, 2010; followed by San Francisco in February, 2011 and Boston, MA in June, 2011. Combined, alternative delivery now represents 10% of Businessweek's 850,000 subscribers. This shifts 4.42 million magazines from the mailstream annually.


 [Courier, Express, and Postal Observer](#): The previous post, "Businessweek fires the Postal Service," identified a recent effort of a major mailer to switch to alternative delivery. Businessweek illustrates that there for print to be competitive in the world of digital content, there is a minimum level of service quality that a print delivery service must meet to be competitive. The earlier critical entry times, inconsistent delivery service, and the potential loss of Saturday delivery are all examples of service quality factors that make the printed Businessweek product delivered by the Postal Service less competitive than its other print competitors and digital content. To the extent that financial challenges force cost cutting that affects service, the most service driven customers will leave.


 [CBC](#): Legislating postal workers back to work is not ideal but is necessary to protect Canada's economic recovery, the government argued Tuesday as debate on its controversial bill got underway. Parliament began dealing with the bill to put locked-out Canada Post employees back to work by debating a motion to speed up its passage, but Conservative and opposition MPs made their views on the actual bill clear.


 [Montreal Gazette](#): About 150 locked-out Canada Post workers blocked access in and out of a Purolator Courier distribution centre in Laval, Que. for an hour Tuesday morning. Eleven trucks were held up until police officers


arrived on the scene to intervene and allow the vehicles to pass just after 9 a.m. The locked-out workers were protesting back-to-work legislation that will be debated over the next few days, with a likely vote on Thursday in the House of Commons.


 [American Postal Workers Union](#): A proposal by former Minnesota Gov. Tim Pawlenty to privatize the Postal Service is a really bad idea, APWU President Cliff Guffey wrote in a guest column for The Hill. Pawlenty, a Republican candidate for president, cited the USPS as a prime candidate for privatization in a speech at the University of Chicago on June 7.


 [Dow Jones](#): Canada's Labor Minister Lisa Raitt said her Conservative government introduced legislation Monday to bring an end to a strike at the country's government-owned postal service. The labour dispute has shut down mail delivery in the world's second-largest country by land area, behind Russia. Raitt said the law would allow an arbitrator to decide which final offer--either from the union or management--would become the basis of a new contract between the two sides. "It is one deal or the other," she said. "Our cards are on the table. They understand fully the process we envisage for them in order to bring closure to this issue. And if they don't like the process, they should work together to find their own."


 [Postalnews Blog](#): Senior Writer Stephen Losey won the first place award for investigative journalism for "Did top postal exec break contracting rules?", which examined how former U.S. Postal Service executive Robert Bernstock awarded millions of dollars in no-bid contracts to his former business associates. The judges said. "Congratulations to Losey and his editors for meaningful work that may have helped save taxpayers some money, but more importantly reminded readers of the importance of fairness and ethics in the public realm. Losey's enterprising efforts should be praised for training a light on shadowy places."


 [iPolitics.ca](#): The postal workers are crying foul over one surprising detail in the Conservative government's back-to-work legislation. The government's bill stipulates wages that are even less than what Canada Post is offering employees. The Canadian Union of Postal Workers says their employer's last offer was for increases of 1.9 per cent in 2011, 2012 and 2013, and 2.0 per cent in 2014. The back-to-work legislation sets wage hikes at 1.75 per cent in 2011, 1.5 per cent in 2012, 2 per cent in 2013 and 2014.


 [Azerbaijan Business Center](#): The Swiss State Secretariat for Economic Affairs (SECO) is preparing to launch technical assistance to Azerbaijan's national postal operator Azerpocht in development of financial and banking services by the latter.

 [Federal Times](#): The U.S. Postal Service has cut electricity use in its facilities, but it is using more petroleum to reach its expanding delivery points, according to the agency's 2010 sustainability report to be released Friday. Electricity use is down by more than 29 percent from a 2003 baseline at the Postal Service's 32,000 facilities, but petroleum use has increased more than 3 percent from a 2005 baseline.

 [The Jewish Chronicle](#): The Canadian Union of Postal Workers has joined a coalition of Muslim, Arab and human rights groups that plans on taking a boat to Gaza this autumn. Read more: The Jewish Chronicle - Canadian postal union joins Gaza flotilla. The postal workers union joined the effort after Canada Post announced earlier this month that it is suspending outgoing mail service to Gaza because its Israeli counterpart said delivery to the region was "unavailable."

 [National Association of Major Mail Users](#): Bill C-6 was introduced in the House of Commons today and had its first reading. The parties resumed negotiations today and should they reach an agreement before this legislation is enacted, the negotiated terms will prevail. Parliamentary debate begins Tuesday, June 21. Although the House is scheduled to adjourn June 23rd, the Speaker has committed to extending the time frame until the Bill is passed.


 [Sioux City Journal](#): Earlier Monday, U.S. Sens. Charles Grassley, R-Iowa, and Tom Harkin, D-Iowa, and U.S. Rep. Steve King, R-Iowa, sent a letter asking Postmaster General Patrick Donahoe to suspend the decision. By postponing that action, the lawmakers said it would allow the local community to review the data provided, give input and arrange a meeting with postal officials to discuss possible alternatives to the center's closure.


 **Dead Tree Edition:** Mail delivery of many newspapers and magazines could soon be delayed a day because of a new Postal Service program to streamline processing of flat mail. Postal officials believe the changes will significantly reduce the costs attributed to the Periodicals class, which the U.S. Postal Service has targeted for rate increases because the class is supposedly not profitable. Included in the plan is the end of “Hot 2C” processing that provides expedited – and expensive – manual handling of such time-sensitive publications as The Wall Street Journal and other daily and weekly publications. Another aspect of the plan is nationwide Critical Entry Times (CETs) -- deadlines for drop-shipped copies to receive next-day delivery -- that will supposedly supersede local agreements between publishers and individual postal facilities.


June 20, 2011

 *At the Postal Regulatory Commission:*

- **RM2011-10** Order No. 751 - Order Concerning Analytical Principles Used in Periodic Reporting (Proposal Two)
http://www.prc.gov/docs/73/73300/Order_No_751.pdf
http://www.prc.gov/docs/73/73300/Order_No_751.docx

 **The Globe and Mail:** The Conservative government introduced back-to-work legislation Monday aimed at ending the lockout at Canada Post. The legislation, if passed, would allow an independent arbitrator to choose between the final offer from management and the final offer from the union. The arbitrator's decision would be binding.

 **The Guardian:** Royal Mail's profits fell from £180m in 2009 to £39m in 2010, a drop of around 78%. That sounds pretty disastrous, and is one of the reasons given for the impending privatisation of the company. However, when you start to look more closely at the figures you begin to realise that all is not what it seems. For a start, the company did still make a profit, which is unique among public services. We don't expect the police to make a profit, or the fire service or the NHS, do we? And I suspect that most of the British public aren't at all worried if the Royal Mail makes a profit or not, as long as they get their letters delivered on time.

 **Roll Call:** In the age of the iPad, some lawmakers are pushing the Government Printing Office to get out of the printing business. But defenders of the agency say it may be too soon to go digital, and they worry the cost savings are being oversold.



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


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

Should the Postal Service Offer Volume Incentives to E-Retailers? E-retail is a multibillion-dollar industry through which millions of transactions are made via clearinghouses, such as Amazon.com and eBay. The e-retail industry continues to grow and includes on-line sales in virtually every industry. Should the Postal Service offer a volume discount to take advantage of the increased shipping in this category? Share your thoughts on this week's [blog](#).

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

- **[Standardization of Equipment at Network Distribution Centers – 10XG052NL001](#)**. During our audit of Mail Transport Equipment – Needs, Distribution, and Use (Project Number 10XG052NL000), we observed inconsistent practices within the Network Distribution Center (NDC) network relating to the management of over-the-road (OTR) containers. We are undertaking this project to further review and develop these standardization issues relating to MTE within the NDC network. We will assess the level of standardization of selected mail processing equipment (MPE) and mail transport equipment (MTE) within the NDC network. We will determine whether the configuration and use of the Integrated Mail Handling System (a type of MPE) and use of OTR containers (a type of MTE) are consistent throughout the NDC network.


- **[Standardization of Mail Processing Equipment at Processing and Distribution Centers – 11XG041N0000](#)**. We will review the current operating environment at Postal Service Processing and Distribution Centers to identify potential efficiency and/or cost savings gains from standardizing the Mail Processing Equipment set deployed to each facility. We will identify the types and quantity of mail processing equipment at processing and distribution centers nationwide and make a determination on both the level of standardization within like sized sites and opportunities for efficiency improvements by standardizing the equipment set at each plant.


 **[Ottawa CTV](#)**: Locked-out mail carriers will meet with Canada Post Monday for ongoing negotiations, but they could be back on the job within days regardless of whether or not they come up with a deal. The federal government is planning to introduce back-to-work legislation Monday or Tuesday, which will force the unionized employees back to work while an arbitrator studies the standoff before imposing a ruling.





If you missed the webinar on co-palletization and co-mailing, you can still listen and view by going to: <https://www1.gotomeeting.com/register/571322673>

 **[CBC](#)**: Legislation that would send locked-out Canada Post employees back to work is expected in Parliament Monday afternoon.


 **[Publics.bg](#)**: The Romanian state-owned postal company Posta Romana will start an ample restructuring process that will last over the next months, the Romanian news agency Mediafax reported. The restructuring is expected to save an annual 50 million lei (EUR 11.8 million) in costs,

 **[TVNZ](#)**: New Zealand Post is defending itself against accusations it breached privacy laws by sharing personal data collected in a postal survey. The Lifestyle survey - which collects personal information and rents it out to market market companies - has drawn criticism due to the extensive personal data collated, including income details.

 **[The ChronicleHerald](#)**: The weekend brought no movement on the postal front as negotiations remain stalled between Canada Post and its locked-out urban workers.

 **[The Guernsey Press and Star](#)**: Some islanders will have to wait longer for postal deliveries from today because just under one round in six is being cut to save money.

 **[Post & Parcel](#)**: UAE national postal operator Emirates Post has entered a partnership with telecommunications firm 'du' to provide billing services throughout the country's post offices.

 **[Delaware County Daily Times](#)**: Since 2007, the postal service has eliminated more than 113,000 jobs and is in the process of eliminating 7,500 more to achieve solvency. Seven district offices and as many as 2,000 local post offices may be closed in the next two years.





Articles on the Blog at www.GlobalAddress.org/resources/blog:


- **[UPU-S42 - Seamless International Address Validation by Joe Lubenow](#)**. An expert describes how S-42 will improve address data quality and could form the foundation of an international change of address system that would also conveniently avoid the privacy law problems inherent in those systems. Also, how dot Post would figure.

- [Innovation and the UPU](#). The Executive Director writes an open letter to the UPU's Strategic Planning work group to suggest some major changes that the UPU should implement to increase its global impact/reach and to better integrate the "wider postal sector" into its work.
- [Saudi Post Creates an Address for Everyone. How?](#) Saudi Post's Ali Bakheet describes the why and how of the extensive new system of addressing installed throughout the country.
- [PostalVision2020](#) - The Executive Director presents the first three of a projected five part series of impressions and conclusions for this extremely important conference on the future of the USPS. The meeting began with the question: "What Would Google Do?", the title of a best-seller by Jeff Jarvis, who posed the question again in his opening remarks to the conference. He also moderated panels of "not the usual suspects", many "digital experts", who brainstormed about the opportunities, strengths and weaknesses, and potential of the USPS. And there were plenty of the usual suspects to listen to, who seemed to have been moved a bit out of their usual orbits by the energy and sparks of ideas thrown off by the "digital natives" who were speaking. If you were not there, you should plan to go to round two.


June 19, 2011


 [Courier, Express, and Postal Observer](#): In a recently released blog post, Mark Doms, Chief Economist, U.S. Department of Commerce commented on the increasing gap between population growth and household formation. He notes that "though the slowdown in household formation coincided with the recession, as the economic recovery began and strengthened last year, household formation has yet to pick up." Increased household formation results an increase in the number of delivery points and operating costs. A slowdown in household formation relative to the adult population results in more mail delivered per stop as each stop represents a slightly larger number of adults. This trend should help the Postal Service as it reduces pressure to expand its delivery resources.


 [The Scotsman](#): UK Royal Mail chief Moya Greene claims Royal Mail is losing 2.5p on every letter it delivers for its competitors, and blamed this in large part for the rather dismal financial performance laid bare before the media last week. She conceded that Royal Mail is "balance sheet insolvent" as its liabilities, including its pension fund, exceed the value of its assets.

 [The Globe and Mail](#): NDP Leader Jack Layton said the party would stand up for postal workers next week in Parliamentary debate on legislation to end the Canada Post lockup.


June 18, 2011

 [Sun News Network](#): Private courier services are salivating at all the business they're getting because of the Canada Post lockout. The industry has noted an increase in sales during the 10-day conflict. The beneficiaries include Purolator Quebec/Atlantic, a subsidiary of Canada Post itself. "Our delivery volumes increased by 16% across the country," said Purolator general manager Denis Roch, whose company is nearly 90% owned by the Crown corporation. Purolator even had several battle plans in place to handle the surge in customers that comes with a work stoppage.


 [Vancouver Sun](#): The NDP might filibuster the government's effort to send postal workers back to work. NDP leader Jack Layton's right-hand man Brad Lavigne told reporters Saturday that the party believes the Conservative government's legislation is "quite biased towards the employer" and the right to collective bargaining will be strongly defended by the party when MPs return to work Monday.

 [The Owen Sun Times](#): Is Canada Post obsolete? And did the rotating strikes of unionized postal workers, followed by management's decision to lock them out across the country hastened its final, inevitable death throes in the paperless Internet age? The answer to the first question, in my opinion, is no. And the answer to the second is maybe, especially if the big-city mentality that seems to control so much that goes on in our lives -- including at the highest levels of government decision making -- chooses to think so and puts those thoughts into action.

 [Vancouver Sun](#): The Harper government has allowed Canada Post to lock out its workers because it wants to end the Crown corporation's monopoly on domestic mail delivery, NDP leader Jack Layton charged Friday.

 **ChicoER:** A West Sacramento mail sorting center misdirected thousands of Measure A mailers from both campaigns, waylaying them until after the June 7 election, a post office representative said Wednesday. "There's nothing I can say other than we messed up; we're at fault," said Ralph Petty, customer relations coordinator at the West Sacramento center.

June 17, 2011

 **DMM Advisory: IMb™ Services Update. PostalOne!® Release 27.0 Notes, Guides, and Specifications** are available on [RIBBS®](#) under Important Links. Draft guides will be updated and posted to the final versions on June 20, 2011. Details on **Facility Access and Shipment Tracking (FAST®) Release 17.0** are now posted on the [FAST](#) website.


A Full-Service ACS Processing Deficiency caused by a system failure resulted in the generation of duplicate nixie records on May 17 and again from May 25 through May 27, 2011. A system interface fix is being developed to prevent submission of duplicate records during system failure repairs.

USPS Will Stop Accepting Mail Destined to Canada by End of Day This Saturday. Canada Post informed us today that their suspension of service will last at least until some time next week as they await the Canadian government's action on back-to-work legislation. As a result, effective 11:59 p.m. CDT Saturday, June 18, USPS® will stop accepting all mail destined for Canada, with the exception of Global Express Guaranteed (GXG) service. Customers can avoid service disruptions by using GXG service, which is available online at www.usps.com and at thousands of participating retail locations throughout the U.S. We will continue to closely monitor the situation. Once Canada Post announces that they will resume operations, we will again begin accepting mail destined to Canada and mail currently being held in our network will be dispatched. Additional information and updates regarding acceptance and movement of international mail is available at <http://www.usps.com/communications/news/serviceupdates.htm>.

Mobile Barcode Promotion Requirement to Submit Sample Mailpiece. The Mobile Barcode Promotion runs July 1 through August 31, 2011, providing business mailers an upfront three percent discount on presort and automation mailings of First-Class Mail cards, letters, and flats and Standard Mail (including nonprofit) flats and cards. In order to participate in the promotion, mailers must submit a hardcopy, nonaddressed sample of the mailpiece, showing the placement of the mobile barcode, when mailings are presented for acceptance and verification. Mailers should also retain a copy of the mailpiece. Other key requirements include:


- A two-dimensional mobile barcode – readable by a mobile smartphone – must be on or in each mailpiece in a mailing.
- The barcode must be used for marketing, promotional or educational purposes and be relevant to the contents of the mailpiece.
- Postage must be paid with a permit imprint and electronic documentation (eDoc) must be submitted to *PostalOne!* Commingled, combined and co-mail mailings, including MLOCR mailings, may qualify for the promotion if separate postage statements are submitted for each client taking the discount.


See complete details on the Mobile Barcode Promotion final rule [Federal Register](#).


 **Marketwire:** RPost, the inventor of Registered Email® services with 33 patents covering third-party authentication of email, email encryption, and electronic signatures for legal contracts, has expanded the capabilities of its US and European business units by adding key new team members, as well as opening new offices in Amsterdam and Zurich. New hires will also be joining RPost's Los Angeles, Boston and London offices in a sweeping expansion of RPost's global service capacity and expert security capabilities.


 *At the Postal Regulatory Commission:*


- **MC2011-25** Reply Comments of The United States Postal Service
<http://www.prc.gov/docs/73/73285/ReplyComments.pdf>


 **Macleans:** Rather than confront the union head-on, post office management adopted a series of cunning business plans. At first, they lost buckets of money, as much as \$1 billion in a single year, and passed the costs on to taxpayers. Then, when that was no longer politically acceptable, they passed it on to their customers, in the form of higher prices and less service. By any standard, then, Canada Post is a colossal failure, abandoned by anyone who can, and desperately gouging the ones who remain captive to its legal monopoly. There would seem a simple remedy—abolish the monopoly—for which the strike would seem a golden opportunity: at first as a temporary relief measure, then permanently.


 **Post & Parcel:** The US Postal Service is moving into the digital age, but in its current financial and political situation it can only achieve the move through incremental change, it said on Wednesday. Speaking at the PostalVision2020 conference in Arlington, Virginia, Deputy Postmaster General Ron Stroman said the USPS recognised that digital communications “is here and not going away”. But he said the Postal Service would need “incubation space” if it truly wanted to innovate in that direction and make a major shift to digital channels. Whether this space was available to USPS was very much up to Congress, Stroman warned.

 **GovExec.com:** The U.S. Postal Service has alerted thousands of workers that they will be laid off or transferred by September. The agency on May 27 mailed specific reduction-in-force notices to 2,429 administrative employees, including 1,751 whose jobs will be cut. The remaining 678 notices informed employees they have been transferred to equal or lower-ranked positions. Employees whose jobs have been eliminated can apply for vacancies posted as part of the reduction-in-force process. Applicants can request a lateral transfer to a similar function, or move to a position that is up to three levels below their current pay grade, said USPS Chief Human Resources Officer and Executive Vice President Tony Vegliante. The vacancies are open through June 20, and any remaining positions will be posted on July 26.

 **Canadian Business:** Canada Post employees are on the defensive this weekend as they try to shore up public support, despite the looming threat of being forced back to work. The Canadian Union of Postal Workers plans to issue a video response to Canada Post's comments on the Crown corporation's decision to lock out employees.

 **Macleans:** I have regard and sympathy for postal workers. Their mission was once critical to the world, and they have a sense of duty and a code of professional ethics that reflects this. They also have enjoyed all of the security and privilege that comes with performing such a crucial task. Today, the ideals (and the comforts) remain, but something has changed. The mail just isn't critical to society anymore. In most cases, it's an anachronism—overdue for obsolescence, economically and environmentally indefensible. The Canada Post lock-out will help nudge the obsolescence along

 **KTIV:** Some Sioux City's Postal Service employees may be looking for a new job. The Postal Service announced this afternoon that Sioux City's mail processing operations will be moving to the Sioux Falls Processing and Distribution Center.

 **Washington Post:** U.S.-based shipping firm UPS has been ordered to stop moving air cargo through some of its U.K. facilities because of security flaws, the British government said Friday. The order is the result of a planned security check rather than a new threat to aviation — and a sign of heightened concerns about the vulnerability of cargo in the wake of an al-Qaida plot that saw bombs disguised in toner cartridges shipped on freight flights from Yemen. Britain's Department for Transport said that “following careful consideration, the department has restricted the number of sites in the U.K. at which UPS Ltd. are permitted to screen air cargo until it has satisfied current security requirements.” It gave no details of the security issues and didn't identify the locations involved. No other air freight companies were mentioned in the statement.



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

- According to Bill McAllister, “the day-long session may not have produced a new strategy for USPS, but it did illustrate some of the difficulties producing a consensus on what lies ahead for a government agency that is older than the federal government itself.”
- Mail owners, service providers, postal associations, postal regulators, postal unions, foreign post representatives, and USPS representatives all gathered in Arlington, VA, this week for the PostalVision2020 conference, but attendance went well beyond the "usual suspects " when it comes to postal issues, including representatives from businesses more known for their digital arena involvement such as Google, MakesBridge Technology, Adobe Systems, and others. Discussions ranged from whether the USPS should have a role in the digital revolution and if so, what that role should be, to the future of the postal system.
- PostalVision2020 conference keynote speaker Vint Cerf, vice president and internet evangelist at Google, told postal industry representatives that from what he has seen about the USPS’ financial condition, it either needs an \$8 billion/year new business or needs to save \$8 billion a year.
- Jeff Jarvis, author of the renowned best-seller "What Would Google Do? " gave PostalVision2020 conference attendees his perspective on what he called the "age of digital disruption " and how the Postal Service might play a role.
- Larry Weber, social media marketing guru, author of "Everywhere: Comprehensive Digital Business Strategy for the Social Media Era and Marketing to the Social Web, " and founder/chairman of W2 Group, told PostalVision2020 conference attendees that what he termed the "fourth wave of computing " may present huge opportunities for the Postal Service if it understands what the wave involves and context. Weber said the fourth wave will be mobile, communications-based, highly visual, and cloud-based.
- Matt Swain, associate director for InfoTrends’ Document Outsourcing and TransPromo Consulting Services and a frequent speaker on emerging technologies within the international integrated graphic communications industry, told the PostalVision2020 crowd that statistics show that print will continue to play an important role in the near future.
- This week’s PostalVision2020 conference featured a series of panels discussing in-depth issues related to digital innovation, the role of government in Postal Service and communications, and what role, if any, the USPS should have in the digital arena.
- Discussing the postal digital horizon and how to achieve the 2020 vision at this weeks PostalVision2020 conference was a panel of key postal stakeholders moderated by Jeff Jarvis. Panel participants included Deputy Postmaster General Ron Stroman; Ruth Goldway, chair, Postal Regulatory Commission (PRC); USPS Inspector General David Williams; and PostCom president Gene Del Polito. Leaders of the conference, speakers and attendees all agreed on one thing -- more work and discussion are needed in order to help formulate a digital policy and direction for the Postal Service.
- The Postal Regulatory Commission has issued Order 745 concerning temporary waivers and semi-permanent exceptions from periodic reporting of service performance measurement for Docket Nos. RM2011-1, RM2011-4, RM2011-7.
- The House Subcommittee on Federal Workforce, U.S. Postal Service, and Labor Policy held a postal hearing this week entitled, “Postal Infrastructure: How Much Can We Afford?”
- A broad cross section of employees and customers of the American postal industry, including the Association for Postal Commerce sent a letter to Congress this week.
- The Postal Service has declared that a price change will be implemented on January 22, 2012. This will be less than one year since the last price change and the Postal Service must follow certain rules other than the annual limitation calculation that appears on the PRC website.
- According to the PRC Chairman, Ruth Goldway, “the Commission has received an increased number of post office closing appeals, hundreds of inquires from citizens, and has had communications with concerned members of Congress. Thus, it appears that the Postal Service may already be engaged in a nationwide change in service without prior notification to the Commission as title 39 requires. A prompt request for an advisory opinion on the impacts of closing retail facilities appears to be the best way to address these concerns.”
- The Postmaster General Patrick Donahoe has reached out to Senators Joseph Lieberman and Thomas Carper concerning the PRC’s non-binding five-day delivery advice. He said, “the PRC believes the savings, while still substantial, will be \$1.7 billion. Accordingly, I would like to share with you the enclosed report outlining the reasons why the Postal Service is fully confident that we can achieve the \$3.1 billion in annual net savings as a result of transitioning to national five-day per week delivery schedule.”

- In a report issued and delivered to Congress, the U.S. Postal Service asserted that the Postal Regulatory Commission (PRC) based a recent advisory opinion on a questionable analysis of the potential cost savings that could be achieved by implementing a five-day delivery schedule to street addresses.
- The Postal Service, on June 13, provided its January 2012 Release Overview for PostalOne and eVS, which also includes some of its new pricing initiatives.
- PostCom has put the USPS' PostalOne/FAST structured release 2012 schedule put into chronological order.
- In a special contribution to the PostCom Bulletin, Lyle Ryter said, "it doesn't take much to see the parallels between the frustration of Canada Post and the U.S. Postal Service today. However, in the United States, the sense of urgency is absent from the Congress."
- According to Joe Lubenow, "the long standing Universal Postal Union (UPU) project S42 to define "International Postal Address Components and Templates" took a major step forward this week in Thailand. Eight Asian nations met in Bangkok under the auspices of the UPU and the Asian Pacific Postal Union (APPU)."
- Q&A with UPS CEO Davis. Why marketers shouldn't waste their time with QR codes. Post offices studied for closure. QR codes webinar: How to think about and use 2D codes. Message from MTAC. PostCom Forum re-opened. New CPI figure available. Shuttle's end leaves NASA a pension bill. Realignment of Postal Service facilities saving millions.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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




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Canada East: With the breakdown in negotiations between Canada Post management and the Canadian Union of Postal Workers, many cities across Canada have been subjected to rotating strikes by the mail carriers. Naturally, it is Canadians who rely on the Crown corporation for mail delivery who are adversely affected. It doesn't have to be this way. To protect consumers, the solution is to privatize Canada Post.

New York Times: For more than two years, the City of San Francisco and the United States Postal Service have been locked in a costly federal court battle over how to deliver some people's mail. The issue is the post office's method of delivery for 11,000 people who live in San Francisco's residential hotels.


Ottawa Citizen: Canada Post mail volume may have declined 17 per cent in the past five years and tech-savvy youngsters may jokingly refer to it as snail mail, but, even in big cities, mail service is hardly superfluous for many companies, especially small businesses. A huge number of small companies still invoice, pay their bills and receive payment through the regular mail.

Windsor Star: There wasn't much interest in the labour dispute at Canada Post during the morning news meeting one day this week. "Who cares?" one person said. That's the crux of the problem for Canada Post and the Canadian Union of Postal Workers: How to remain relevant in the digital age. The Crown corporation and its union should be busy trying to figure out the answer. Instead, neither side is doing anything. The union started rotating strikes. Then the corporation locked them out. Now the government is going to legislate them back to work and an arbitrator is going to settle the contract. The only thing that won't be resolved is the real problem. One newspaper called it a "death embrace."


 [Canada NewsWire](#): CNIB applauds the Federal Government's decision to move ahead with back-to-work legislation that will end the nearly two week labour disruption at Canada Post. "The climate of uncertainty created by this disruption has taken a huge toll on Canadian charities like CNIB that depend on a reliable postal system to be able to fulfil their missions," said John M. Rafferty, president and CEO, CNIB. "The Government's quick action will help contain the losses in funding and unforeseen costs we've have had to incur throughout this period." In letters addressed to the Prime Minister and the Minister of Labour earlier this week, Mr. Rafferty expressed his concerns about the difficult financial situation CNIB has faced throughout the disruption.


 [Parcel2Go](#): Major players on two sides of the mass communication sector came together yesterday to share ideas on how the physical mail service providers could work alongside their counterparts in the digital field. Google guru Vint Cerf addressed the PostalVision 2020 conference in Arlington, Virginia, and said that the big advantage the likes of the US Postal Service and other mail companies had over the internet was that they visited virtually every home in their territory six days a week. "I am convinced that until the 24th century, we are going to need the Postal Service to provide delivery services," Cerf said. "But since you are walking past every single mailbox every day, except Saturday – is there anything else you can do with that feature?"


 [RTE.ie](#): Independent postal services company CityPost has bought direct mail distribution company Publicity Mailing for an undisclosed sum.


 [Post & Parcel](#): A little over four years ago Colombia's state postal service, Adpostal, went into liquidation. Crippled by pension liabilities, the postal operator had a negative net worth and a mail market share that had slumped from around 80% in the early 1990s to around 20% a decade later. In 2006, the government of then-President Alvaro Uribe Velez closed down Adpostal, and set up a new company to take its place. Juan Ernesto Vargas Uribe accepted what might have been seen as a poisoned chalice and has achieved a remarkable turnaround since his appointment as President. Operating under a new brand, 4-72, the corporation is now profitable, has developed public trust, embraced new technology and introduced new products.


 [Hellmail](#):

 [Communication Workers Union](#) leaders reacted angrily today following the publication of an interview with Royal Mail Chief Executive Moya Greene by Alex Brummer of the Daily Mail.

 The ability of [Codegate's track and trace software](#), mobileworker for Couriers, to undisputedly prove that a parcel has been delivered has become a key differentiator for Mail Box Express. One of the leading providers of courier services for the legal profession, Mail Box Express is the preferred courier for three of the top global law firms.

 [Transport Intelligence](#): Perhaps it is a comment on the health of the recovery that logistics costs in the US still remain low, according to the annual Council of Supply Chain Management Professionals/Penske 'State of Logistics' report published this week. Although they have bounced back from the depths seen in 2009, gross costs in 2010 have only recovered to where they were in 2005. In terms of proportion of GDP, logistics costs are 8.4%, up from another record low of 7.7% but far from the near 10% seen in the past. Underlying cost drivers have largely been areas such as insurance, depreciation and taxes whilst warehousing and inventory costs have fallen. Transport costs rose by 10.3% but the largest element in this, trucking, only grew by 9.3%. Rail in contrast has recovered more strongly.

 [Barron's](#): United Parcel Service's global division finished well and its export and import demand is better than stock-market sentiment. While it's not on the near-record pace of last year and with some slow areas, the movement of marine shipping containers is growing at an annualized clip of 8% today. However, the global expansion appears to be continuing on and more stable fuel prices lead us to raise estimates. As fuel prices have stabilized in the second-quarter our expectations have mildly improved that UPS will be better able to manage its margins.


 [Post & Parcel](#): The postal sector asked the question yesterday, "What Would Google Do?" if it was running the struggling US Postal Service. And Google came back with a reply. Yesterday saw a fascinating event held in Arlington, Virginia, in which the postal sector grilled various internet and digital gurus to grasp some idea of how

the physical mail industry should be responding to the digital revolution. Among the respected experts sharing their views at the PostalVision2020 conference was Google's vice president and "co-founder of the internet", Vint Cerf. And while there was much talk during the day about various potential for the USPS to move into new digital forms of communications, the Google vice president said that actually, the internet search giant would probably take advantage of the unique asset of the USPS if it was running the agency.

 *At the Postal Regulatory Commission:*

Docket No. RM2011-1; Docket No. RM2011-4; Docket No. RM2011-7 The PRC has ruled on the USPS' service performance exception. Here is a summary.

- The Commission denies the Postal Service's requests for a waiver, semi-permanent exception, or alternative forms of relief concerning First-Class Mail Flats.
- The Commission directs the Postal Service to begin quarterly reporting including District level service performance based upon available data from the existing External First-Class (EXFC) system with the next due quarterly report.
- The Postal Service's request for a temporary waiver for presorted First-Class Mail Parcels appears moot because this component of First-Class Mail Parcels has been reclassified within competitive products.
- The Commission grants the Postal Service's request for a temporary waiver concerning presorted First-Class Mail. The Postal Service shall provide status reports as it indicated it would. However, beginning with the FY 2011 Quarter 4 report, the Postal Service shall report all data regardless of whether the data meets the Postal Service's self-imposed data sufficiency thresholds, and where appropriate, include standard statistical calculations describing the validity of the data.
- The Commission denies the Postal Service's request for a waiver concerning Standard Mail. The Postal Service is directed to inform the Commission of its plan concerning the implementation of a measurement system capable of reporting service performance for individual Standard Mail products by August 1, 2011. While this issue is being resolved, the Postal Service shall report Standard Mail service performance as outlined in its waiver requests.
- The Commission denies the Postal Service's request for a waiver concerning Periodicals. Beginning with the FY 2011 Quarter 4 report, the Postal Service is directed to report all Periodicals data regardless of whether the data meets the Postal Service's self-imposed data sufficiency thresholds, and where appropriate, include standard statistical calculations describing the validity of the data. The Commission accepts the use of proxies and the use of Red Tag and Del-Trak data while a transition is being made to an Intelligent Mail Barcode (IMb)-based system in the near term.
- Concerning the commercial Package Services start-the-clock issue, the Commission does not find acceptable the Postal Service's proposal to move start-the-clock downstream to the first en route scan without a further accounting for the period from when the Postal Service receives the mail up until the first en route scan.
- The Postal Service is directed to present a plan to the Commission detailing how it intends to account for the period prior to the first en route scan by August 1, 2011.
- Furthermore, beginning with the FY 2011 Quarter 4 report, the Postal Service is directed to report all Package Services data regardless of whether the data meets the Postal Service's self-imposed data sufficiency thresholds, and where appropriate, include standard statistical calculations describing the validity of the data.
- The Commission grants the Postal Service's request for a temporary waiver from reporting service performance for Stamp Fulfillment Services until the filing date for the 2011 Annual Compliance Report (ACR).

 **PRNewswire:** Turn a static advertisement into an immersive experience with AT&T Mobile Barcode Services. Mobile barcodes give brands the opportunity to reach consumers directly on their smartphones, delivering

information, promotions, coupons and more to customers' fingertips. Following a successful technology trial launched last year, AT&T* announced the availability of AT&T Mobile Barcode Services, which allow businesses to create, publish and manage 1D (UPC) and 2D (QR and Data Matrix) barcodes.


DMM Advisory: USPS Still Accepting Mail to Canada – Use GXG to Avoid Service

Delays. Canada Post announced late Tuesday night that it was suspending service nationwide effective immediately and until further notice due to an ongoing strike. The Canadian government has now served notice that it will introduce a bill designed to end the current Canada Post lockout. As a convenience for our customers, the United States Postal Service® will continue to accept and process mail destined for Canada. This mail will be held within our network and we will continue to work closely with Canada Post to coordinate dispatch and acceptance once the situation is resolved. Regardless of the duration of the Canada Post strike and lockout, USPS customers can avoid any service disruptions by sending letters and packages using our date-certain international shipping option — Global Express Guaranteed® (GXG®) service. GXG service is available online at www.usps.com and at thousands of participating USPS retail locations. Additional information and updates regarding acceptance and movement of international mail is available at <http://www.usps.com/communications/news/serviceupdates.htm>. We will use DMM Advisory to keep you updated.

June 16, 2011


At the Postal Regulatory Commission:


- **CP2011-65** Order No. 746 - Notice and Order Concerning an Additional Global Reseller Expedited Package Contract Negotiated Service Agreement http://www.prc.gov/docs/73/73244/Order_No_746.doc
http://www.prc.gov/docs/73/73244/Order_No_746.pdf

 **Government of Canada:** The Honourable Lisa Raitt, Canada's Labour Minister, will introduce a Bill entitled "Restoring Mail Delivery for Canadians Act" to end the current work stoppage involving the Canada Post Corporation and the Canadian Union of Postal Workers (CUPW) – Urban Operations Unit.



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

 **Press Release:** The ongoing realignment of postal facilities to better fit the changing needs of customers is saving the Postal Service millions of dollars — but it and other cost-cutting measures are not enough to stave off a fast-approaching liquidity crisis, a House subcommittee was told today. “The Postal Service knows how to cut costs, streamline our excess processing network and make the necessary changes to bring our organization further into the 21st century,” David Williams, vice president of Network Operations, told a subcommittee of the House Committee on Oversight and Government Reform. “Rightsizing our network is only one of many strategies the Postal Service has employed in our efforts to cut costs and improve efficiency.” Over the last four fiscal years, the Postal Service has reduced its size by 110,000 career positions and saved \$12 billion in costs. “Our achievements notwithstanding, issues that fall outside our control continue to prevent us from being able to close the gap between revenue and costs,” Williams testified. Absent Congressional action this year, the Postal Service will experience a cash shortfall and default on legislatively mandated payments to the Federal government.

 **ThisIsMoney:** Royal Mail admitted yesterday that it is insolvent even as it awarded its new boss a bonus equal to the Prime Minister's salary. Well paid: Moya Green is paid £780k despite Royal Mail being 'balance sheet insolvent'. Moya Greene scooped a £142,000 reward, just £500 short of David Cameron's annual pay. Her total pay for her first nine months, including her salary, bonus, benefits and pension, was £777,611 - making her one of Britain's best-paid civil servants.



[Federal News Radio](#): How can the U.S. Postal Service evolve as it faces technological changes that have decreased the volume of physical mail? Read tweets from the PostalVision 2020 conference (#pv2020), held yesterday in Arlington, Va.

[Wilmington News Journal](#): In testimony Wednesday before a congressional subcommittee, Wilmington-based ATSG President and CEO Joe Hete focused on the cost of labor in the federal government's effort to address the United States Postal Service's (USPS) money woes, which includes the loss of \$8.5 billion last year. The hearing was held to examine the retail and mail processing networks of the USPS, and the extent those networks need to be "right-sized" to meet diminishing mail volume, said Subcommittee on Federal Workforce, U.S. Postal Service and Labor Policy Chairperson Dennis Ross of Florida.

[Direct Marketing News](#): Jeff Jarvis, author and associate professor at the CUNY Graduate School of Journalism, said the US Postal Service must look for consumer needs that the private sector does not meet in order to survive. The author of *What Would Google Do?* told attendees of the PostalVision 2020 conference in Arlington, Va. on June 15 that the USPS must adopt an entrepreneurial attitude as personal letters, business mail and First Class volume fade away in coming years. The Postal Service's attitude towards embracing digital communications should be "what the market does not do, that is what I have to make sure gets done," he said.

[Radio New Zealand](#): New Zealand Post is warning there could be disruptions to the country's postal service because of the Chilean volcanic ash cloud. The plume has grounded some aircraft that carry mail, forcing the postal service to transport some letters and parcels by road. Not all services will be affected and updates will be placed on the New Zealand Post website.

[Vancouver Sun](#): How the mighty have fallen. Until recently, even the threat of a postal strike would have sent shivers through the business community. Wednesday morning, there was no mention of the strike in either the *Financial Post* or the business section of the *Globe and Mail*. By day's end, the government put in motion legislation that can get the mail moving again, but the initial uncertainty reflected just how far below the radar our postal service has fallen in the digital age.


[Inside INdiana Business](#): DC: Congressman Pete Visclosky responded today to the initial results of a study by the United States Postal Service (USPS) that supports the consolidation of the Gary Processing and Distribution Facility into a facility in South Bend, Indiana. Additionally, Visclosky announced that he will be meeting with the U.S. Postmaster General next week and shared information about opportunities for local residents to submit their own responses to the study.


[BusinessWeek](#): Most Canadians will find their mailboxes empty Wednesday after Canada Post suspended operations across the country after 12 days of rotating strikes by its 48,000 unionized urban workers. The government-owned corporation said it was forced to declare the lockout late Tuesday night after the rotating work stoppages caused mail volume and revenue to drop significantly. The move halts nearly all mail delivery. "While we'd hoped to avoid a disruption to service to Canadians, we feel we can't continue to let this drag on," Canada Post spokesman Jon Hamilton told the *Canadian Press*. "It's having a huge impact on the business, it's having a huge impact on our customers and our employees and the time is now to get a deal with the union." The post office estimated it lost C\$100 million (US\$97 million) after the largest rotating strikes took place Tuesday in Montreal and Toronto, where about 60 per cent of the country's mail is handled. The postal corporation also said talks with the Canadian Union of Postal Workers were at an impasse, with the two sides "far apart" on several key issues and no progress at the negotiating table for weeks.

[Hellmail](#): PostNL, and its German subsidiary TNT Post Germany, said it welcomed the decision of the Bundesnetzagentur, the German postal regulator, against Deutsche Post AG and its subsidiary First Mail. The Bundesnetzagentur has determined in proceedings against First Mail Düsseldorf GmbH and Deutsche Post AG, in consultation with the Federal Cartel Office, that the German Postal Act has been breached in terms of pricing and non-discrimination regulations. The decision is an important step on the path to profitability of TNT Post Germany in 2013.


 **Transport Intelligence:** Further expanding public access to its intelligence and analysis through the most innovative and popular internet applications, Ti has announced that it has launched a completely free new service streaming a range of Video and Audio briefings presented by its senior analysts. Visitors to the Ti website can access its new page Ti Live and the downloads will also be available for subscribers to the market leading knowledge Global Supply Chain Intelligence portal www.gscintell.com soon. Topics currently range from analysis of the performance of the global contract logistics industry in 2011; prospects for the US transportation sector and potential for mergers and acquisitions in the industry. Ti will continue to expand the catalogue of videos and audio downloads available over the coming months.


 **Testimony from yesterday's House postal oversight hearing:** Witnesses Panel I [Mr. David E. Williams](#) Vice President, Network Operations Management United States Postal Service [Mr. Phillip Herr](#) Director, Physical Infrastructure Issues U.S. Government Accountability Office Panel II [Mr. Mike Winn](#) President Greylock Associates, LLC [Mr. Joe Hete](#) President and CEO ATSG Inc. [Mr. Cliff Guffey](#) President American Postal Workers Union.


 **Multichannel Merchant:** The U.S. Postal Service probably won't use the pending exigent rate case to raise catalog rates any higher than it would otherwise. But the USPS is "under some pressure" from the Postal Regulatory Commission to increase rates for Standard Mail flats, according to Hamilton Davison, the executive director of the American Catalog Mailers Association.


 **Hellmail:** Neopost, the UK's leading provider of mailroom equipment, including franking machines and automatic envelope stuffers, today announces how customers can benefit from even greater Royal Mail postal discounts.


 **iPolitics.ca:** The federal government is preparing back-to-work legislation for Canada Post, setting the stage for a resumption of mail service as early as next week. Labour Minister Lisa Raitt informed the House on Wednesday she was tabling notice of intention to introduce back-to-work legislation, meaning the bill could be up for a vote next week.


 **Canada NewsWire:** Postal workers across the country could be forced back to work under a bill that their union is calling unnecessary, unjust, and counterproductive. Minister of Labour Lisa Raitt today served notice of the government's intent to introduce back-to-work legislation. Denis Lemelin, CUPW National President, said "We never got a chance in this round of bargaining. Canada Post spent months just saying "no" and misleading the public about our proposals. Now, as we call for a meeting with Canada Post's President, the Harper government is going to rescue him from any responsibility to negotiate realistically with the workers."


 **Vancouver Sun:** The Harper government will table back-to-work legislation to end the labour dispute at Canada Post, arguing that the action is needed to protect Canadians and the economy. The announcement was made in the House of Commons Wednesday by Prime Minister Stephen Harper and Labour Minister Lisa Raitt. Harper was under attack from NDP leader Jack Layton, who accused the Conservative government of not allowing two high-profile labour disputes to unfold fairly. He noted the government had threatened back-to-work legislation just hours after Air Canada workers began their strike Tuesday, and then allowed a Crown corporation, Canada Post, to lock out its workers later that night. But the prime minister said the government intends to move firmly to end both labour disputes.


 **Mailer and Postal Employee Organizations Letter to Congress:** We represent a broad cross section of the employees and customers of the American postal industry, including the unions and management associations of the Postal Service, trade associations, companies in the business mail industry, and other individual mailers large and small that interact with the USPS on a daily basis. We urge you to act now to free the Postal Service of the unnecessary and unsustainable statutory requirement that has destabilized the Postal Service's finances and poses an immediate and serious threat to the US economy. You can help by cosponsoring HR 1351, the Postal Service Pension Obligation Recalculation and Restoration Act of 2011, to help restore fiscal soundness to the nation's postal service. Please do so.

 **National Association of Major Mail Users:** Canada Post Chief Executive Officer Deepak Chopra is prepared to again meet with Denis Lemelin, President of the Canadian Union of Postal Workers (CUPW), to discuss the fair offer that has been tabled by the company. Mr. Chopra expects that Mr. Lemelin will come to the meeting with a meaningful offer that addresses declining mail volumes, competitiveness, and a \$3.2-billion solvency deficit in the pension plan.

 **PR Newswire:** The ongoing realignment of postal facilities to better fit the changing needs of customers is saving the Postal Service millions of dollars — but it and other cost-cutting measures are not enough to stave off a fast-approaching liquidity crisis, a House subcommittee was told today. "The Postal Service knows how to cut costs, streamline our excess processing network and make the necessary changes to bring our organization further into the 21st century," David Williams, vice president of Network Operations, told a subcommittee of the House Committee on Oversight and Government Reform. "Rightsizing our network is only one of many strategies the Postal Service has employed in our efforts to cut costs and improve efficiency." Over the last four fiscal years, the Postal Service has reduced its size by 110,000 career positions and saved \$12 billion in costs. "Our achievements notwithstanding, issues that fall outside our control continue to prevent us from being able to close the gap between revenue and costs," Williams testified. Absent Congressional action this year, the Postal Service will experience a cash shortfall and default on legislatively mandated payments to the Federal government.

 **Coalition for a 21st Century Postal Service:** Congress needs to give the Postal Service greater flexibility to streamline its operations or risk hurting the private sector U.S. mailing industry, according to the Coalition for a 21st Century Postal Service. The Coalition, which is made up of leading businesses and industries tied to the mailing industry, urged Congress to act in conjunction with today's "Postal Infrastructure" hearing by the House Government Reform and Oversight's Federal Workforce Subcommittee.

 **Attention PostalOne!** Users Due to scheduled network maintenance at the help desk facility, tomorrow, Thursday June 16, 2011, between the hours of 5:00 pm - 7:00 pm Central time, there may be a slight delay in logging customer issues. If you experience delays in contacting the help desk by phone during regular business hours, please use the after hours option from the voice menu to reach one of our agents. Additionally, you can report your issue via email to postalone@usps.gov and we will respond. We appreciate your cooperation, and apologize for any inconvenience this may cause.

 **U.S. Postal Service:** At this time, the Postal Service will continue to accept and process mail destined to Canada. If Canada Post and the CUPW do not resolve the situation by COB tomorrow, June 16, 2011, all mail service to Canada will be suspended and the Postal Service will not be able to accept any Canada mail with the exception of Global Express Guaranteed (GXG). All mail received today and Thursday will be processed and prioritized for dispatch once this action has been resolved.


June 15, 2011





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


[Management of the Highway Contract Route Voyager Card Program \(NL-AR-11-003\)](#). We estimated the Postal Service incurred \$25.8 million and \$22.5 million in questionable fuel costs for the 2008/2009 and 2009/2010 contract fuel periods, respectively. Additionally, we found the Postal Service did not always ensure that Highway Contract Route (HCR) suppliers purchase only authorized grades of fuels or remained within the contract limitations on number of fuel gallons purchased. This occurred, because the Postal Service did not always follow Fuel Management Program requirements. We also determined HCR Voyager cards were not always safeguarded and secured, because the Postal Service did not have a comprehensive control environment aligned with internal control best practices. If the Postal Service improves its management and control of the HCR Voyager Card Program, it could potentially avoid about \$24.2 million annually in unnecessary costs over the next two fuel periods for excess gallons purchased over contract limits. Additionally, the agency could save \$2.6 million annually for purchases of


unauthorized grades of fuel and payments for FYs 2010 and 2011, resulting in a total estimated savings of \$53.7 million.


 [Bloomberg News](#): The U.S. Postal Service, which says it will default on a required payment and may run out of money in September, must “urgently” restructure its operations and close locations, the Government Accountability Office said. The Postal Service needs to consolidate locations as part of its efforts to shrink as mail volume declines, Phillip Herr, GAO director of physical infrastructure issues, said Wednesday in prepared testimony for a hearing by the House Oversight and Government Reform subcommittee that oversees the Postal Service. The post office operates about 32,500 outlets and the GAO didn’t recommend how many it should shutter. “Unfortunately, today’s Postal Service is on a pathway toward insolvency and the current postal infrastructure is bloated,” Representative Dennis Ross, the Florida Republican who is chairman of the postal oversight subcommittee, said in his prepared statement for the hearing.


 [MastheadOnline](#): Labour Minister Lisa Raitt told The Globe and Mail today that she is seriously considering back-to-work legislation in the postal dispute now that Canada Post's lockout has brought nation-wide postal service to a halt.


 [Guernsey Press and Star](#): Islanders will have to absorb £1 m. in higher postal charges after a huge price hike by Royal Mail. Tariffs for UK and business mail will increase from 1 August.


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


 Royal Mail’s operating result was narrowly in the black while turnover sank by 2% in the business year 2010/2011. On Tuesday this week the British post reported that its turnover sank to 10.4bn euros while letter volume fell by 4%. The operating result plummeted by over 78% to 44.3m euros. According to Royal Mail, the UK Letters & Parcels and International divisions recorded a deficit of over 136.3m euros.


 In 2010 the German CEP market clearly recovered from the effects of the economic crisis. According to the Federal Network Agency the courier, express and parcel industries generated total revenues of over 15bn euros, a plus of 4.1%.


 Swiss Post started an experiment with a personalised newspaper. After the first tests with a personalised holiday newspaper (CEP-News 05/11), subscribers now can choose from several Swiss and international publications to customise their own edition, the portal »Medienwoche« (07.06.) reported.


 Customers affected by Poste Italiane’s IT chaos (CEP-News 23/11) are to be compensated. CEO Massimo Sarmi apologised to customers again. He further said, that the talks with representatives of consumer bodies about the compensation had been positive and constructive.


 Strikes continue at Algérie Poste even though the union and the employers agreed on a new labour contract.

 Singapore Post (SingPost) is now also represented in the Vietnamese market. After acquisitions in several Southeast Asian countries like in Malaysia (CEP-News 11/11), SingPost now acquired a stake in logistics company ITL, its first involvement in a Vietnamese firm.

 Deutsche Post plans to offer the development of applications for smartphones and tablet PCs to small and medium sized publishers.


 Postal Services minister Ed Davey confirmed reports about the restructuring of Royal Mail’s balance sheet (CEP-News 21/11). According to Davey the government plans to remit Royal Mail the majority of its debt facilities with the government - 1.7bn GBP after all (1.93bn euros).

 Spanish Correos y Telégrafos has to look for a new president. Alberto Lafuente, who has just been appointed in May 2010 will head the National Energy Commission (CNE) in the future.

 TNT Express Italy has a new CEO. Swedish born Uffe Ekstedt will succeed Rosario Ambrosino who recently stepped down.



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

 [Courier, Express, and Postal Observer](#): The lockout by Canada Post is designed to put pressure on CUPW to modify its demands to the point that the the two sides can agree on a contract. But what happens if there is no movement toward an agreement and the Harper Government does not force an agreement?




From the Federal Register:


Postal Service


RULES


Mobile Barcode Promotion ,
34871–34872 [2011–14251]

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


 [New York Times](#): The nation's space agency plans to spend about half a billion dollars next year to replenish the pension fund of the contractor that has supplied thousands of workers to the space shuttle program. The shuttle program accounts for a vast majority of the business of United Space Alliance, originally a joint venture of Boeing and Lockheed Martin. **The pension fund now has about half the amount needed. The president's budget proposal for the 2012 fiscal year requests \$547.9 million for NASA to provide the rest.** That is nearly 3 percent of the agency's total budget and just about what the Science Mission Directorate at NASA spent last year on all grants and subsidies to study climate change, planetary systems and the origins of life in the universe. "We know that it's NASA's obligation to fund this, and NASA will do so," said a spokesman for the space agency, Michael Curie. The cash infusion is also being readied at a time when some members of Congress are demanding cuts in spending and threatening to block anything that could be construed as a taxpayer bailout.


 [NowPublic](#): Royal Mail wants freedom to raise prices for private sector competitors so that it can make a profit after announcing today that up to 30,000 workers are to be laid off due to operating losses. The company effectively had its hands tied behind its back as ministers controlling Postcomm forced Royal Mail to deliver £1bn worth of mail for private sector competitors at a loss.


 [UPS](#): For the second time in less than a year, UPS Freight, the heavy freight arm of UPS, has improved transit times from a key western Canadian market to cities in the United States. The transit time enhancements cover 181 lanes from Vancouver, British Columbia, to U.S. cities in the Midwest and Northeast and generally reduce established transit times by at least one full day. "UPS is committed to doing everything it can to enable and simplify global trade, including the efficient movement of cross-border LTL shipments between the United States and its largest trading partner, Canada," said UPS Freight President Jack Holmes. "We're going to continue looking for ways to support the Canadian business community in further developing its trade with the U.S."


 [Canada Post](#): Following 12 days of increasingly costly and damaging rotating strikes being carried out by the Canadian Union of Postal Workers (CUPW), Canada Post has suspended operations across the country. The accelerating decline in volumes and revenue combined with the inability to deliver mail on a timely and safe basis has left the company with no choice but to make this decision. Specifically we have taken this action for the following reasons: Rotating strikes have had a significant impact on the short-term revenue of the business. Canada Post's estimated losses are approaching \$100 million after today's strike in Montreal and Toronto and that figure is climbing daily; Over the past few days several incidents have raised concerns about the ability to move the mail while keeping our employees and customers safe; Canada Post and CUPW remain far apart on several fundamental


issues and there has been no progress made at the negotiating table for weeks; If we allow the uncertainty created by the rotating strikes to continue, our ability to remain financially self-sufficient and not become a burden on Canadian taxpayers will be in jeopardy. We believe that a lockout is the best way to bring a timely resolution to this impasse and force the union to seriously consider proposals that address the declining mail volumes and the \$3.2-billion pension deficit.


 [BCLocalNews](#): Is Canada Post still relevant? If you listen to all the big city opinion columnists the answer is no. They claim that with the increased use of email for personal and business communication that the day to day mail delivery is out of date and obsolete. Tell that to rural Canadians who still depend on the post. Critics of the postal service seem to think that just because they know how to feel comfortable using email and other technologies that everyone does. In rural Canada, high-speed internet is a luxury not a given, and in some of our more remote areas (never mind the internet) telephone lines do not even connect homes to the outside world. It must be hard for someone who has always known and taken for granted the “luxuries” of city life to understand that once you leave suburbia some of us still use “antiquated” systems like the postal service.


 [North Country Public Radio](#): A dozen post offices in the North Country may close by the end of the year. These closings are part of the post office's response to record losses and declining mail volume as more people communicate electronically. The post office says they plan to close 2000 locations by next year. That plan aims to adjust and streamline postal service after losses of 8.5 billion dollars in fiscal 2010. But some say those losses could be negated with a change to the post office pension funds. Others say the financial situation is not quite so dire. The post office is an independent agency of the federal government and it is often attacked for misusing taxpayer dollars, but Congressman Bill Owens said the post office is actually giving too much money back to the government. It comes down to a discrepancy in retiree health benefits.


 [The Telegraph](#): The Royal Mail deserves a modern, regulatory regime so it can stand on its own two feet. The quid pro quo is greater transparency, be it on executive pay or mail tampering offences by staff, and the section of its annual report answering freedom of information requests is a revealing start. But without reform it will remain a millstone around the taxpayer's neck.

 [Hellmail](#): The Royal Mail announced today that it is losing £2m a week in its UK Letters & Parcels and International business with a marked decline in profitability across much of the group . The news comes just days after a new Bill was approved in the Commons - paving the way for part or full privatisation of the Royal Mail. Royal Mail said the pension deficit remained a disproportionate burden. Cash payments of £771 million were made to the pension fund: individually: £299 million in deficit recovery payments, £442 million in regular pension contributions and £30 million for payments related to redundancy.


 [Dead Tree Edition](#): U.S. companies now might want to think twice about promoting paperless billing by sending those "go green, go paperless" messages to their customers. Two Sides, the industry-backed organization that has successfully challenged the truthfulness of such claims in the U.K. and Europe, announced the opening of a U.S. branch today. The mission of Two Sides U.S. will be "to promote the sustainability of paper and print in the U.S. market," said Kevin Gammonley, CEO of NPTA Alliance, a trade association of paper merchants that is helping the U.S. branch get off the ground.


 [Montreal Gazette](#): Canada Post has shut down its operations nationwide after nearly two weeks of rotating strikes and failed negotiations with its union. The Crown corporation says that the Canadian Union of Postal Workers' rotating strikes have led to estimated losses of \$100 million. See also the [Toronto Star](#).

 [National Association of Major Mail Users](#): An estimated 23 Postal Workers in the three small communities of Carbonear (Newfoundland); Sioux Lookout (Ontario); and Salmon Arm (BC) will go on strike tonight at 11:00p.m. EDT.


 [Washington Post](#): *Letter to the Editor*. The Postal Service is a public good that cannot be fully replicated by the private sector. If its services can be provided more efficiently, good; if it can turn a profit, great. But if it doesn't

turn a profit, that doesn't mean it should be scrapped. By that standard, we would end up scrapping most of the federal government.


 **Post & Parcel:** Key US mailing industry groups have called on US lawmakers to act to stabilise the finances of the US Postal Service, and give it time to right-size its network in the face of declining mail volumes. A joint letter was sent to all members of the House of Representatives today, from dozens of USPS customers, suppliers, partners and unions, calling on them to support legislation introduced back in April that would help the struggling Postal Service. Groups including all major postal unions, the Association for Postal Commerce, Parcel Shippers Association and 54 individual USPS partner and customer businesses warned that the possibility that the USPS could run out of cash later this year "poses an immediate and serious threat to the US economy".


 **The Independent:** The challenges facing potential buyers of Royal Mail were laid bare yesterday when the state-owned postal operator revealed that its letters and parcels and international business had fallen to a £120m loss over the year to April from a £20m profit a year ago. The weakness was pinned on falling volumes in the letters arm, which has been hit by the rise of texts and emails.


 **Scoop:** New Zealand Post Christchurch Services Update. The majority of New Zealand Post services will have resumed in Christchurch from tomorrow (15 June).


 **United Parcel Service:** UPS has unveiled UPS Returns® Exchange, a combined delivery and pick-up service that gives businesses more control over their reverse logistics for high priority products. The new service, unveiled at the Interlog 2011 Summer conference here, is particularly suited to shippers in the high-tech, healthcare and retail industries. UPS Returns Exchange makes the replacement of high value products, such as electronics, more efficient while enhancing the post-sales experience for end customers. The new service will be offered in multiple countries around the world and will be an industry-first in North America.


June 14, 2011


 **Postalnews Blog:** PMG Pat Donahoe has announced the selection of David Fields as Vice President, Area Operations, Capital Metro Area. Fields has been acting in this position since January.


 **Benefits Canada:** With pensions and benefits at the root of rotating strikes by postal workers, Canada Post has made some concessions an efforts to secure an agreement with the Canadian Union of Postal Workers (CUPW). Canada Post has agreed to maintain a fully indexed DB plan for new hires, rather than move to a DC plan as it had originally planned. The Crown Corporation has offered a wage increase and job security in return for a new sick leave program and lower pay rates for future employees, a Canada Post release indicated today.


 **Courier, Express, and Postal Observer:** The U.S. Census Bureau retail sales data released today showed that in April, the share of retail sales that are sold on-line or via a catalog rose to 20.3% of retail sales from merchants selling products that are sold both in brick and mortar stores, on-line or through a catalog. This means that 20.3% of all retail sales that could be delivered by FedEx, United Parcel Service or the United States Postal Service, are being delivered by these firms.


 **i880News:** A very blunt message from Canada Post to the postal workers union. In a statement, the corporation says rotating strikes Tuesday in Toronto and Montreal are costing millions, creating uncertainty and are raising the possibility Canada Post "won't be a position to sustain its operations across the country." That could be seen as raising the possibility of further service reductions. Canada Post claims it has lost more than 70-million dollars since the rotating strikes began and it warns the decision to withdraw service in the two cities that generate 60-percent of the mail in the country will "cripple the whole postal network."

 **CTV:** Some postal workers in Ottawa were upset this morning when they reported to work and the doors were locked. Today is the first day that Canada Post won't deliver mail to urban areas as part of the Crown corporation's cutbacks to service.


 **National Post:** Have you ever used the courier DHL? You might know it by its distinctive yellow trucks with big red lettering. It's owned by the German post office, Deutsche Post. Since privatization in 1995, Deutsche Post DHL has grown to become the world's largest logistics company with 2010 revenues of nearly \$100 billion. It's bigger than UPS or Fedex — almost twice the size of UPS and three times that of Fedex. And, to repeat myself, it is a privatized, former state-owned post office. So when during the current post strike here in Canada you hear representatives of Canada Post or the Canadian Union of Postal Workers (CUPW) claim that Canada needs a public-monopoly postal service, feel free to cry “Poppycock!” (Rural MPs and some business owners often make the same claim. You can call “B.S.” on them, too.) Deutsche Post delivers mail six days a week in Germany with a far better on-time delivery rate than Canada Post. We need a Crown corporation delivering our mail the same way we need government-owned telephone services or public buggy whip makers.


 **Attention PostalOne!® Users** The performance issue that SASP experienced on 6/13/11 has been resolved. SASP Processing is now current and processing normally. We apologize for any inconvenience and appreciate your patience.


 **Advertising Age:** YouTube is busy funding content channels in hopes of bringing more brand dollars to video. But it turns out that like search, there is a long tail for video advertising. YouTube said it has 20,000 different advertisers running campaigns, a 100% increase from last year. [EdNote: *Have you ever thought of MAILING pieces with QR codes to prospective customers?*]


 The Postal Service has set up a 2012 structured release webpage.
https://ribbs.usps.gov/intelligentmail_schedule/documents/tech_guides/jan2012/releaseoverview.htm The January 2012 release overview for PostalOne and eVS has been published:


- https://ribbs.usps.gov/intelligentmail_schedule/documents/tech_guides/jan2012/docs/PostalOne_Release.pdf
- eVs:
https://ribbs.usps.gov/intelligentmail_schedule/documents/tech_guides/jan2012/docs/eVS_Release.pdf


 **Marketing Week:** Royal Mail is set to ramp up its media and data services as it looks to reverse a £120m loss in its core business. The postal operator will look at expanding its range of advertising solutions, such as the recently launched Advertising Mail, designed at increasing the use of direct mail. It will also continue to develop DM product innovations, such digitally enhanced direct mail introduced in May.


 **International Business Times:** Up to 20,000 postal workers in Britain are likely to lose their jobs after the Royal Mail posted a £120-million loss in its letters and parcels business largely as a result of more people abandoning the system in favor of internet communications. According to reports, about 65,000 full and part-time postal jobs have vanished since 2002, including 5,500 in the past year alone. This reflects the reduction on daily mail volume – from 80-million just five years ago, to 62-million currently -- a 20 percent decline, according to the Daily Telegraph. This volume is expected to keep falling by 5 percent annually. See also the [Daily Mail](#).


 **AFP:** Britain's state-run postal service Royal Mail said on Tuesday that its annual profits have slumped more than 78 percent as the embattled company gears up for more job losses and privatisation. Royal Mail said operating profit slid to £39 million (44 million euros, \$64 million) in its year to March 2011 from £180 million the previous fiscal year, as a large drop in the number of letters posted offset a cost-cutting drive. Chief Executive Moya Greene said Royal Mail's UK Letters & Parcels and International Business lost more than £2.0 million a week in 2010-11 as the public preferred to keep in touch via email and text messaging.


 **Pensions & Investments:** The funded status of the top 100 U.S. corporate pension plans improved for the second year in a row in 2010 following a precipitous drop due to the 2008 financial crisis, according to Pensions & Investments' review of annual reports.


 [The Courier](#): Dundee City Council could stop using Royal Mail as it wants TNT Post, the largest private postal sector operator in the UK, to handle all of its second-class mail from July 1.


 [The Canadian Press](#): The federal government appears to have ruled out back-to-work legislation for now in the labour dispute that is increasingly disrupting mail service at Canada Post. Acknowledging concern about the impact of the dispute on the economy, the parliamentary secretary to federal Labour Minister Lisa Raitt said Monday that the government is still hoping for a negotiated settlement. "The best solution is one that the parties come up with together, by themselves," Conservative MP Kellie Leitch told the House. "The minister is monitoring the situation closely and will continue to provide the parties with the support and assistance required through the mediator." But there was no sign the two sides were any closer to an agreement and, late Monday, the Canadian Union of Postal Workers identified Toronto and Montreal as its latest strike targets.


 [MetroNews](#): Urban Canadians aren't getting letters today, but the union representing striking postal workers wants you to know that wasn't its decision. Canada Post is limiting letter delivery in cities to Monday, Wednesday and Friday because the postal service has lost \$65 million since the strike began, officials said yesterday. "They are digging to the bone. They are pushing major customers to go to the competition," Canada Post spokesman Jon Hamilton said.


 [Rediff](#): Infosys Technologies, India's second-largest information technology services company, is understood to have bagged the first of the Department of Post's IT modernisation contracts.


 [Zawya](#): Saudi Hollandi Bank, the Kingdom's first established bank, has partnered with the Saudi Postal Corporation (Saudi Post) as part of the bank's commitment to continually develop and improve its customer service. Saudi Post, the national postal service of Saudi Arabia, will become the exclusive distributor of all credit and debit cards issued by Saudi Hollandi Bank to its customers in the Kingdom. See also [AMEInfo](#).


 [Press Information Bureau](#): With the opening of first postal retail extension counter at Fabindia's flagship store, India Post and Fabindia partner to benefit customers in a first of its kind Public- Private Partnership. The counter was jointly inaugurated here today by smt. Radhika Doraiswamy – Secretary (Post) to Government of India, Director General Department of Posts and the Chairman of the Postal Services Board and Mr. William Bissell - Managing Director, Fabindia Overseas Private Limited.

 [TMCnet](#): Making use of a global network of mail production facilities capable of processing and delivering documents throughout the world, directly from enterprise applications, Esker has announced its new International Mail Services (IMS) solution.


 [Washington Post](#): Former Minnesota governor Tim Pawlenty last week announced an economic plan that would make major cuts in the corporate and individual income tax rates. His plan also would "sunset" some federal regulations and privatize some federal functions, including the U.S. Postal Service and Amtrak. *[EdNote: Well, according to Republic pundits, after Pawlenty's performance last night, it doesn't look as if he'll have the chance to do any of that.]*


 [Akron Beacon Journal](#): Akron isn't giving up its fight to keep the Goodyear Heights post office from closing. The city is expected to seek a temporary restraining order this morning in Summit County Common Pleas Court to bar the U.S. Postal Service from shutting the East Akron station as planned on Friday. *[EdNote: HmMMMM. And what makes Akron think they have control over "postal roads?"]*


 [Hellmail](#): Estonian Post said that the number of parcels collected from post offices has increased by 40% since last autumn with many customers actually preferring to receive e-commerce items via a post office. The operator now allows parcels to be sent to any designated post office.


 [Hellmail](#): Yodel is to expand the number of parcel access points via corner shops for customers collecting and delivering parcels. The expansion could prove enormously popular with users who struggle to collect items during working hours and With only limited collection times offered by the Royal Mail, doubling the access points could

see Yodel grab a sizeable chunk of the domestic parcels market and poach business from post offices and the Royal Mail. Collect+ is effectively a counter service, a joint venture between Yodel and Paypoint.


 **Direct Marketing News:** The US Postal Service defended internal research that found it would save \$3.1 billion per year by eliminating Saturday home delivery, calling into question the Postal Regulatory Commission's research that found it would only save \$1.7 billion by doing so. Goldway said the PRC's numbers are accurate and that the oversight body was rebuffed when it tried to meet with the USPS about the difference in projected savings by cutting five-day delivery.


 **National Association of Major Mail Users:** Postal workers in two major urban centres - Montreal and Toronto - will go out on rotating strike tonight. Postal workers from three of the largest locals in the Canadian Union of Postal Workers will bring the total of those on strike to over 15,000 over a 24-hour period, starting at 11:30p.m. EDT. See also the [Montreal Gazette](#).


 **Vancouver Sun:** "A look at the labour dispute Canada Post and CUPW"

 **National Post:** Despite the back and forth taking place between Canada Post and the union representing its workers, the entire postal system could be the big loser as people search for other ways to pay bills and to conduct business, says the Canadian Federation of Independent Business. Businesses account for a significant portion of traditional mail in Canada, and Dan Kelly of the CFIB said the longer the labour dispute carries on, the worse things may get for Canada Post's future revenue from that lucrative source.

June 13, 2011


 The [Subcommittee on Federal Workforce, U.S. Postal Service, and Labor Policy](#) hearing entitled, "*Postal Infrastructure: How Much Can We Afford?*" will take place at 1:30pm on Wednesday, June 15th in room 2154 Rayburn House Office Building. This hearing will be streamed live at <http://oversight.house.gov>. **Witnesses Panel I Mr. David E. Williams** Vice President, Network Operations Management United States Postal Service **Mr. Phillip Herr** Director, Physical Infrastructure Issues U.S. Government Accountability Office **Panel II Mr. Mike Winn** President Greylock Associates, LLC **Mr. Joe Hete** President and CEO ATSG Inc. **Mr. Cliff Guffey** President American Postal Workers Union


 U.S. Postal Service: **Attention PostalOne!® Full-Service Users** We have recently experienced performance issues within the SASP application due to the large number of duplicate IMbs in recent mailings resulting in a slight backlog of jobs for processing by SASP. As a result of this backlog there will be a delay in receiving your Mail Quality Data Reports; the usual 48 hour receipt time will be exceeded. It is anticipated that the system will have all of the backlogged jobs cleared by Tuesday morning. At that time the delayed reports will begin to be available. We will notify you as this situation changes so that you can take appropriate action(s). We apologize for any inconvenience and appreciate your patience


 **TechFlash:** Seattle startup EquaShip has raised \$900,000 to launch a shipping service aimed at smaller online retailers. The startup is led by CEO Ron Wiener, founder of Earth Class Mail. Board members include former Amazon logistics guru Shawn Childs and Rob Martinez, the CEO of Shipware, a parcel consulting and auditing firm.


 *At the Postal Regulatory Commission:*

- **C2011-3** United States Postal Service Motion to Dismiss http://www.prc.gov/docs/73/73213/USPS_MTD_Final.pdf

 **Transport Topics:** Diesel's national average rose 1.4 cents to \$3.954 per gallon, its first increase in six weeks, the Department of Energy said Monday.

 **Canada NewsWire:** The current strike at Canada Post is much different than strikes in the past. This time, instead of relying on costly national couriers to provide alternative shipping services, Canadians have been flocking to ShipGooder.com, a Canadian website that provides instant shipping rate comparisons from national carriers and local delivery companies across Canada and the USA.

 **News One:** The department of posts (DoP) will revamp mail operations in line with international standards and include a project in the Eleventh Five Year Plan for consolidation and optimisation of the existing network, Communications Minister Kapil Sibal said Monday. ‘The DoP decided to revamp mail operations in line with the international best practices and include a project in the Eleventh Five Year Plan for consolidation and optimisation of the existing mail network,’ the minister said in a statement.

 **Global Edmonton:** Canada Post says it's lost 65-million dollars in direct revenue since rotating strikes began June 2nd. And spokesman Jon Hamilton says some of it may never return.




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

Barriers to Change. The Postal Service's retail network of 36,000 Post Offices, stations, branches, and contract facilities is not very different from the network that existed 40 years ago. A new OIG white paper [Barriers to Retail Network Optimization](#) examines the statutory, regulatory, political, and institutional barriers to retail optimization and modernization. We invite you to share your thoughts on our [blog](#).

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

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

- [Standardization of Mail Processing Equipment at Processing and Distribution Centers – 11XG041NO000](#). We will review the current operating environment at Postal Service Processing and Distribution Centers to identify potential efficiency and/or cost savings gains from standardizing the Mail Processing Equipment set deployed to each facility. We will identify the types and quantity of mail processing equipment at processing and distribution centers nationwide and make a determination on both the level of standardization within like sized sites and opportunities for efficiency improvements by standardizing the equipment set at each plant.


 **Courier, Express, and Postal Observer:** As noted in an earlier post, mail volume at Canada Post is down 50%. The decline in demand has affected employment levels all across Canada. National Association of Major Mail Users President Kathleen Rowe last Thursday stated that the strike has resulted in the layoff of at least 15,000 Canadians. This is on top of the reduction in employment at Canada Post as it switches to three day delivery in urban areas for the duration of the strike.



Welcome to PostCom Radio
PostCom Postal Podcast

*Join PostCom President **Gene Del Polito**, Grayhair Software Postal Affairs Vice President **Angelo Anagnostopoulos**, Pitney Bowes Engagement Manager and Solution Design Consultant **Adam Collinson**, and Pitney Bowes Director of Consulting Solutions **Jeff Stangle** in a discussion of address change services.*

This podcast is sponsored by [Grayhair Software](#).

 **Postal Service:** In [a report issued today](#) and delivered to Congress, the U.S. Postal Service asserted that the Postal Regulatory Commission (PRC) based a recent advisory opinion on a questionable analysis of the potential cost savings that could be achieved by implementing a five-day delivery schedule to street addresses.


 Postmaster General Patrick Donahoe to Senators [Joseph Lieberman](#) and [Thomas Carper](#):


I recently testified regarding the precarious financial position of the United States Postal Service. The Postal Service has experienced losses of \$20 billion over the past four fiscal years due primarily to declines in mail volume and unique statutory requirements to pre-fund retiree health benefits by roughly \$5.5 billion per year. Despite \$12 billion in cost-cutting over the past four fiscal years, including a reduction of career employment by 110,000, the Postal Service is nearing a point at which we will not have the cash to meet all of our financial obligations.


Returning the Postal Service to financial stability requires Congressional action to address the statutory retiree health benefit pre-funding payments and the overfunding of the Postal Service's portion of both the Civil Service Retirement System and the Federal Employees Retirement System. Importantly, the Postal Service also must be allowed to move to five-day delivery to street addresses.


Eliminating Saturday delivery to street addresses and related service changes will generate \$3.1 billion in annual net savings for the Postal Service and will address the fact that there is no longer sufficient mail volume to sustain a six-day delivery schedule. Under the Postal Service's implementation plan, Post Offices would remain open on Saturdays and Post Office Boxes would continue to receive delivery.


Nearly a year after the Postal Service requested non-binding advice from the Postal Regulatory Commission (PRC) regarding whether its proposed service changes were consistent with the policies of Title 39 of the United States Code, the PRC issued its opinion on March 24. The PRC's opinion questions the Postal Service's estimate of \$3.1 billion in annual net cost savings that will result from implementing the planned service changes. The PRC believes the savings, while still substantial, will be \$1.7 billion. Accordingly, I would like to share with you the enclosed report outlining the reasons why the Postal Service is fully confident that we can achieve the \$3.1 billion in annual net savings as a result of transitioning to national five-day per week delivery schedule.


 **Canadian Business:** The union representing postal workers says Canada Post wants to provoke a national strike in a bid to encourage the federal government to introduce back-to-work legislation. See also [Canada NewsWire](#).


 **Wall Street Journal:** From a corrugated-metal shack outside Cape Town, Standard is breaking from its main business of drawing customers to its branches and automatic teller machines in favor of a low-cost mobile-phone model that is based on proximity to people, like Ms. Nonkongozelo, who have never banked before. The shift says a lot about where banks are placing bets on Africa's economic growth as a new middle class emerges.


 **Wall Street Journal:** The potential for a persistent slowdown in hiring is the biggest threat to the U.S. recovery, according to economists in the latest Wall Street Journal economic forecasting survey, as they sharply cut the number of jobs they projected the economy would create in coming months. "If jobs don't grow fast enough, the recovery will sputter," said economist Nicholas S. Perna of Perna Associates.


 **CityTV:** Canadians may feel the effects of rotating postal strikes to a much greater degree starting this week as cuts to mail delivery take effect. Canada Post says delivery in most cities will be limited to Mondays, Wednesdays and Fridays. Spokesman Jon Hamilton says a final call will be made today on whether all cities will be affected, based on mail volumes. Hamilton says a week-and-a-half of rotating strikes have scared customers away and a drop in mail means the post office has no choice but to bring in service cuts.


 [Financial Times](#): Yodel, the parcel delivery group, plans to become the first serious rival to Royal Mail's post office counters by doubling the number of corner shops where customers can collect and deliver packages. If successful, the move would deal a further blow to the beleaguered state-owned postal operator which is already in the process of axing up to 40,000 jobs to cut costs and prepare for privatisation.


 [Post & Parcel](#): New Zealand Post services have been affected again after two earthquakes hit the city of Christchurch earlier today (Monday). A 5.2-magnitude earthquake hit at early afternoon local time, followed by a 6.0-magnitude earthquake approximately an hour later, according to the US Geological Survey. This latest episode followed a devastating 6.3-magnitude earthquake in Christchurch on February 22, which killed 181 people. Shortly after today's earthquakes, NZ Post said affected services include Box Lobbies, mail collection and redirections, Poste Resante and PostShop/Kiwibank stores.


 [TVNZ](#): There will be some disruptions to New Zealand Post services in Christchurch. Chief executive Brian Roche says the main mail processing centre at Orchard Road was evacuated as a precaution but preliminary assessments indicate no structural or plant damage. Postal deliveries tomorrow may be interrupted and deliveries will be subject to safe access for posties. CourierPost and Pace courier services will be operational, but may be impacted by disruption to mail/parcel processing. Most PostShop Kiwibank stores in Christchurch will be closed tomorrow to allow for assessment of structures and IT systems. Some stores may re-open during the day.


 [CBC](#): The rotating strike by Canada Post mail carriers and other workers hit seven provinces starting late Sunday night, the Canadian Union of Postal Workers announced. Mail service was halted in the following areas before midnight Sunday, the union said: Corner Brook, N.L. Fredericton Sydney, N.S., as well as North Sydney, Sydney Mines, New Waterford and Glace Bay Quebec's Mauricie region (including Trois-Rivières and Shawinigan) Sherbrooke, Que. Cornwall, Ont. Niagara Falls, Ont. Windsor, Ont. Regina Nanaimo, B.C. Service resumed in Red Deer, Alta., where postal workers were on strike over the weekend.

 [Oregon Live](#): According to UPS CEO Scott Davis, "Clearly, there's a role for the post office and they are facing tough challenges. First of all, the post office is a competitor of ours and a customer of ours and we have a pretty good relationship. They're looking to reduce services, reduce post offices -- they have to do that to become fiscally sound. The Saturday service is controversial, but I think they have (to cut) it. I'm not sure people need six days of mail service, I'm not sure they need five days in this day and age with everything being electronic. One of the challenges is that the cost of the stamp is the same going everywhere. In a business like ours, we try to match price with the cost to serve. The challenge they have is, say, they're delivering a letter on a snowmobile 100 miles out. I guarantee you it costs more than 44 cents to deliver that letter, that letter probably cost them \$100. Yet you deliver a letter in downtown Portland or New York City and it probably costs a lot less than 44 cents. It's a big political challenge to have a stamp cost match the price to serve but that's the reality. For us to deliver every package around the world at the same price, it just wouldn't work."


 [Postalnews Blog](#): In a report delivered to Congress, USPS asserts that the Postal Regulatory Commission (PRC) based a recent advisory opinion on a "questionable" analysis of the potential cost savings that could be achieved by implementing a five-day delivery schedule to street addresses.


 [Daily Bhaskar](#): The postal department has introduced i Code Card to make job search easy for unemployed people in Chhattisgarh and the neighbouring states. The new system which starts functioning from June 13 will help bridge the gap between companies and the job aspirants.


 [The Times of India](#): A week after the government decided to shift to banks for distributing old-age pensions, India Post is trying hard to get back its largest customer in the state.


 [Canadian Press](#): A weekend of negotiations failed to produce a settlement to end rotating strikes by Canada Post's urban workers.


June 12, 2011


 [Mobile Demystified](#): We're starting to see them everywhere – in magazines, on billboards and consumer packaging. No, they're not byproducts of a Rorschach inkblot test being conducted by a secret government agency. They're the latest craze in marketing due to their innovative knack for bridging the physical and digital worlds. In this webinar we take a look at the dos and do not's of using QR and other 2D Codes to launch marketing campaigns to new heights.

 [Wall Street Journal](#): Friday's stock market plunge knocked the Dow Jones Industrial Average below 12000 for the first time since March, sending the index to its sixth consecutive weekly decline, its longest losing streak since 2002. If past investor behavior is a guide, the market could be in for a more severe decline unless the current worries are quickly resolved.


 [SkyNews](#): Royal Mail will next week say that it lost more than £100m in its traditional letters business last year, underlining the case for the urgent privatisation of the company. Royal Mail Group plc is expected to announce as soon as next Tuesday that its letters business plunged into the red in 2010, despite the fact that it made a modest profit at the group level.


 [Detroit Free Press](#): It's one of the cardinal rules in the postal book: Don't put cash in the mail. Still, some folks are taking their chances -- at least that's what a recent case in U.S. District Court shows. A heroin addict went looking for money and made off with roughly \$800 by targeting neighborhood mailboxes, records show.


 [The Independent](#): Betty Mapes, Nebraska Chairman for Post Office Closures for the National Association of Postmasters of the United States, said the Office of the Inspector General has said that if every rural post office was closed it would save about \$5.8 million. She noted that is about 7/10ths of the post office's total budget or less than 7 percent of what the USPS lost last year alone.


 [PRLeap](#): Leading UK online parcel delivery service Parcel2Go has called on businesses in Britain to think ahead and make sure they are covered in the event of widespread postal strikes.

June 11, 2011


 [InformationWeek](#): FedEx faced the prospect of having to build a new East Coast data center to meet its ever-expanding IT requirements, but CIO Rob Carter decided instead to retrofit an existing facility and squeeze more processing power into a smaller space, saving millions of dollars. Could FedEx's approach work in federal government?


 [McClatchyDC](#): Neither snow nor rain nor gloom of night stays the U.S. Postal Service from its appointed rounds, as long as it gets a giant bailout. Largely reduced to a delivery service for subsidized junk mail, crippled by sweetheart deals with its labor unions, the Postal Service is a good candidate for the dead-letter box. Instead, its managers are frantically lobbying for a federal bailout nearly twice the size of the one General Motors got.


 [Advertising Age](#): *Why Marketers Shouldn't Waste Their Time With QR Codes*. QR codes can actually impede the conversation. First, you have to assume not everyone knows what they are, so you have to explain how they work. Then, you just hope people are willing to download the app and go through the hassle of getting it to work. Then and only then will they be exposed to whatever brilliant website you have put together. And the majority of the time, this process neglects the critical issue of why someone would want to do any of this in the first place. Right now the answer to that seems to be, "Because marketers thinks it's cool." This is a dead-end technology. This is a transitional technology, and other options are headed to market that will quickly displace it. Improvements in mobile search far outpace QR capture. Near Field Communications will provide richer machine interfaces. Google Places has already abandoned QR codes for NFC chips. Does "mini-disk" ring any bells? They were smaller than a compact disc and couldn't hold nearly as much information. The QR code is the mini-disk of the future.


 [Canada NewsWire](#): In response to today's request from Labour Minister Lisa Raitt, the Canadian Union of Postal Workers agreed to suspend strike activity. The union's only condition was that the terms of its collective agreement would be reinstated. In 1991, when CUPW suspended its strike action to assist mediation efforts, Canada Post

agreed to reinstate the union's collective agreement. At 6 PM this evening, Canada Post's management rejected the union's offer.

 **Toronto Star:** The Canadian Union of Postal Workers says it was willing to suspend its rotating strikes as a gesture of goodwill but Canada Post balked. The union said the company rejected its only condition that the collective agreement be reactivated for the duration of talks.

 **Ottawa Citizen:** It's time to privatize Canada Post.

 **Fiji Times:** As part of its contribution, Post Fiji launched a set of four stamps carrying messages on HIV/AIDS. Post Fiji chief executive Joape Kuinikoro said the stamps were part of the global HIV campaign that was launched in 2009. On Thursday, Post Fiji in collaboration with UNAIDS and 19 other postal operators around the world, like Belarus, Iraq, Malawi and Uruguay, unveiled their stamps to highlight the progress and challenges over the past 30 years in the fight against HIV/AIDS.

 **DMM Advisory: IMb™ Services Update. PostalOne!® Release 27.0 and FAST® Release 17.0** will deploy to production on Sunday, June 26, 2011. The *PostalOne!* production environment will be unavailable from 9 p.m. CDT on June 25, 2011, through 8 a.m. CDT on June 26, 2011. The Facility Access and Tracking (FAST) production system will be unavailable from 4 a.m. CDT through 8 a.m. CDT on Sunday, June 26, 2011. FAST Webservices cannot be processed during the *PostalOne!* outage. *PostalOne!* Release 27.0 and FAST Release 17.0 will deploy to the Test Environment for Mailers (TEM) on Monday, June 27, 2011. The *PostalOne!* TEM will be unavailable on Monday, June 27, 2011, from 4 a.m. CDT through 12 Noon CDT. The FAST TEM will be unavailable on Monday, June 27, 2011, from 8 a.m. CDT through 12 Noon CDT. Additional information for the *PostalOne!* release is available on [RIBBS®](#).

PostalOne! Release 27.0 Webinars: Three webinars for customers have been scheduled. Release 27 enhancements include changes to Mail.dat® and Mail.XML®, a new Full-Service report and improvements made to report generation and manifest processing. The webinars will be held on the following dates: Wednesday June 22, 2011 10 a.m. EDT, Thursday June 23, 2011 2 p.m. EDT, Tuesday June 28, 2011 2 p.m. EDT. Additional information on registering for the webinars will be posted on [RIBBS](#) on June 14, 2011.

Mailers' Technical Advisory Committee (MTAC)

Videos from the 2011 National Postal Forum of the Postmaster General's Monday, May 2 Opening Session and the two Executive Briefing Sessions that were held on Tuesday, May 3 are now available for your viewing pleasure. Please click on this link http://www.uspstv.com/NPF_Video/ and you will be able to access these videos.




At the Postal Regulatory Commission: [Letter from the PRC Chairman to the Postmaster General:](#)


During service performance consultations earlier this year, you discussed the internal Postal Service schedule for improving the process of reviewing retail facilities to evaluate whether closing them was appropriate. You explained that new procedures would be developed and then applied to a substantial number of facilities nationwide. You also assured the Commission that should the process indicate that closing a significant number of existing retail outlets appeared justified, the Postal Service would file a request with the Commission for an advisory opinion under 39 U.S.C. 3661 prior to closing those facilities. Consistent with that schedule the Postal Service published proposed rules in the Federal Register on March 31, 2011 (76 FR 17794), and as you may know, the Commission submitted timely comments. During this period, numerous articles have appeared in the press identifying facilities in a number of states that have been closed, or that have been evaluated for potential closing, or shortly will be evaluated for potential closing. The Commission has received an increased number of post office closing appeals, hundreds of inquiries from citizens, and has had communications with concerned members of


Congress. Thus, it appears that the Postal Service may already be engaged in a nationwide change in service without prior notification to the Commission as title 39 requires. A prompt request for an advisory opinion on the impacts of closing retail facilities appears to be the best way to address these concerns (more)


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


June 10, 2011

 **MarketWatch:** The Canadian Union of Postal Workers' rotating current strikes, which started June 3, are limited to 24-hour stoppages in selected cities — Quebec City, Montreal, Kitchener, Ont., Victoria, B.C., Calgary and Edmonton are among the cities that have been hit. But when I tuned in a Victoria radio station this week (which is just across the water from us) to see what effects its strike was having, it seemed more a minor irritation than anything else.

 **Courier, Express, and Postal Observer:** According to a note on the [National Association of Postmasters, US \(NAPUS\)](#) website, the Postal Service is closing 20 contract units that offer virtually the same services as a Post Office. (i.e. Retail, PO Boxes, etc.) The note implied that the closures are related to the APWU agreement. These closures raise questions about what the Postal Service's retail strategy is and how labor and contract unit contracts affect that strategy.

 The Subcommittee on Federal Workforce, U.S. Postal Service, and Labor Policy hearing entitled, "Postal Infrastructure: How Much Can We Afford?" will take place at 1:30 pm on Wednesday, June 15th in room 2154 Rayburn House Office Building. This hearing will be streamed live at <http://oversight.house.gov>.

 **DMM Advisory: Modification of CASS Requirement to Show Suite Number.** The Suite^{Link}® product enables customers to provide improved business addressing information by adding known secondary (suite) information to business addresses, which allows USPS[®] automated delivery sequencing where it would not otherwise be possible. Beginning August 1, 2011, the Postal Service[™] is modifying a previously-announced CASS[™] Cycle N requirement. Mailers will not be required to show the suite number returned by Suite^{Link} on the mailpiece to qualify for an automation price, but instead, mailers may generate a delivery point barcode derived by incorporating the suite number indicated by Suite^{Link}. This modification also applies to MASS[™]-certified equipment and removes the requirement for the suite number to be sprayed above the barcode. For additional information on the use of Suite^{Link}, and to view a flow chart developed to illustrate Suite^{Link} processing, please visit [RIBBS](#) under [Move Update/Suite^{Link}/Suite^{Link} Announcements/2011 Announcements](#).

 **Courier, Express, and Postal Observer:** Privatization of the Postal Service has received recent attention in a speech by Governor Tim Pawlenty and the editorial page of the Washington Post. Neither presentation provided any indication of an understanding regarding what it would take to privatize the Postal Service either legally or financially.



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

- The USPS Office of Inspector General released its self-initiated audit of the US Postal Service's innovation process. This is the first or two projects that the OIG plans to perform on innovation at the Postal Service. The second project is a detailed analysis of the innovation management processes used by several major companies. The OIG concluded that the Postal Service faces regulatory and market constraints to innovation that private companies do not.
- The USPS OIG points out in its recent white paper that "efforts to optimize and modernize the retail network need to address the adverse impact of these statutory, regulatory, and political barriers, but mitigating these barriers may take time and is not entirely within Postal Service control. In the interim,

management should focus on the institutional barriers that it can control. These obstacles include a lack of sustained management attention to the need to revamp the retail function, a lack of comprehensive cost data that prevents the Postal Service from placing a value on savings available from modernization, past dependence on a highly decentralized bottom-up process for identifying redundant locations, and the absence of a strategic retail vision that would elevate the debate from the tired battle over closing Post Offices.”

- According to Tad DeHaven, for The Daily Caller, in response to the presidential aspirant and former Minnesota governor Tim Pawlenty, “Pawlenty is wrong in claiming that the private sector “did not adequately provide” mail delivery, passenger rail, and housing finance in the past, but he is definitely correct when he says that it is well past time for the federal government to extricate itself from commercial activities.”
- According to Courier, Express, and Postal Observer, “for over a week, the Canadian Union of Postal Workers (CUPW) have struck Canada Post in a series of rotating strikes that affects Canadian cities on nearly a random basis. The impact of the strike is clear and it is not good for either CUPW members or Canada Post customers. According to Canada Post, daily mail volume is down 50%. In response Canada Post has cut delivery to three days per week in urban areas. CUPW employees not on strike find their work hours curtailed to match the lower mail volume and reduced delivery schedule.”
- PMG comments on Businessweek article. USPS reform may be on the way, but it is too late? Court of Appeals slams PRC for its recent ‘slapdash’ decision. USPS workforce has more gray hairs than the Fortune 500. USPS hands out special notice to employees on jobs. Postal Service cuts warranted. Congressman Farr unable to persuade USPS officials. The Post Office - return to sender. Uncle Sam is using more snail mail. Postal Service’s carbon footprint shrinks. PRC accepts USPS’ Proposal Nine. PRC extends Collaborative Logistics market test again. Dan Blair to leave PRC. Headlines predict demise of USPS. PostCom recognizes Wanda Senne and Ian Volner. VSE Corp wins USPS vehicle contract. PRC OIG releases semi-annual report to Congress.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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




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PR-USA.net: Stamps.com® has announced a new integration with DigitalShipper™, a multi-carrier shipping software that connects enterprise branches, warehouses and distribution centers to a single shipping architecture. DigitalShipper's multi-carrier platform allows customers to select a shipping carrier from a single all-encompassing interface. The carrier selection consists of the U.S. Postal Service® via Stamps.com, FedEx® and UPS®. The software also includes regional carriers such as OnTrac, Spee-Dee Delivery, Eastern Connection, Prestige Delivery Systems, Pitt Ohio and Lone Star Overnight.


Belfast Telegraph: Privatisation of the Royal Mail moved a step closer yesterday when a Bill paving the way for its sell-off passed the final Parliamentary stage. Business Secretary Vince Cable said approval of the Postal Service Bill was a "significant milestone" for the Royal Mail, ahead of the measure being given Royal Assent, expected by the end of the month.


KCAU: Senator Charles Grassley meet with the U.S. Postmaster General today to discuss the closing of several Iowa post offices. The Postmaster General requested the meeting after receiving a letter from Grassley about the inappropriate behavior and attitude displayed at recent public meetings concerning closure of several post offices in Iowa as well as the public meeting held in Sioux City regarding the proposed consolidation of the mail processing

facility to Sioux Falls, S.D. In the meeting today, the Postmaster General provided Grassley with key data from the Postal Service study on the consolidation of the Originating and Destinating Operations in Sioux City and Sioux Falls.

 [Masthead](#): As CUPW union members in Kitchener and Quebec City take their turn on the 24-hour rotating picket lines Friday, Canada Post says negotiations have stalled. Meanwhile, the National Association of Major Mail Users (NAMMU) says there have been more than 15,000 layoffs in the mailing industry as clients cancel direct-mail programs because of the labour disruption.

 [Macauhub](#): Mozambican state mail company Correios de Moçambique plans to create a postal bank providing financial services in rural and suburban areas, alongside traditional postal services.

 [Transport Intelligence](#): Singapore Post Limited (SingPost) has announced it will acquire a 30% stake in Indo Trans Logistics Corporation (ITL) through its wholly-owned subsidiary, Singapore Post Enterprise Private Limited (SPE), for US\$10.8m. ITL, incorporated in Vietnam, offers integrated logistics solutions with businesses in air and sea freight forwarding, third-party logistics solutions and distribution, and general sales agency for airlines. ITL has been in operations since 1999 and has offices in key cities in Vietnam.


 [Hellmail](#): With any remaining snags surrounding the sale of Royal Mail and its split from Post Office Ltd apparently resolved in the Houses of Parliament today, the new Postal Services Bill now moves to its final stage, Royal Assent. Whilst the sell off may not be welcomed by everyone, both the coalition government and the previous Labour government have been doggedly determined to push privatisation through. A huge pension deficit said to be around £8bn prompted two key reports by Richard Hooper CBE to examine in some detail, whether the Royal Mail was fit to deliver the universal service in the long or even short term. These reports, which painted a grim picture, were effectively snapped up as a complete blueprint (a surprise even to Hooper) for reform by both governments.


 [National Association of Major Mail Users](#):


Canada Post and CUPW remain far apart on several fundamental issues. The union today rejected major compromises proposed by Canada Post to address sick leave and staffing levels. To learn more, click on the links below:

- [A news release \[PDF\]](#) issued earlier today by Canada Post.
- [A letter to employees \[PDF\]](#) from Canada Post's Chief Operating Officer, Jacques Côté

June 9, 2011


 [Orange County Register](#): Postal inspectors executed a federal search warrant at an Anaheim business suspected of possible mail fraud, an official said Thursday. About 60 inspectors with the U.S. Postal Inspection Service arrived at 8:30 a.m. Thursday at Advantage – a mailing, printing and marketing business at 1600 N. Kraemer Blvd., said Postal Inspector Renee Focht. Inspectors are looking for documents and other information related to the payments of postage, she said. "There are allegations they were underpaying," Focht said. The investigation began when a postal employee noticed the proper amount of postage was not being paid for the mailings Advantage was presenting to the U.S. Postal Service, Focht said.


 [Global Saskatoon](#): The Canadian Union of Postal Workers called for rotating strikes to address the issue of jobs and expansion of services in smaller communities. In response Canada Post says it must reduce its urban mail delivery service to three days a week. It says it has no choice because labor unrest has drastically reduced revenue. Canada Post has long been struggling with competition via emerging digital technologies – the number of mail items handled has dropped 20 per cent since the introduction of email -- poor labour productivity and increasing costs. The Crown Corporation wants to create a system in which new employees get less generous wages and benefit packages than existing employees. The union is opposed to that measure.


 **WIVB:** The Canada Post has turned up the pressure on its 48,000 unionized employees by cutting home delivery to three days a week. According to published reports there is little progress at the bargaining table. Service will continue this week, but starting next week, postal delivery service will be only on Monday, Wednesday and Friday in most cities. Parcels and priority post service will continue at five days a week. However Canadians living in rural areas will continue to receive daily service. Their carriers are covered under a separate labor contract.


 *At the Postal Regulatory Commission:*


- **CP2010-38** Notice of United States Postal Service Response to Commission Request
<http://www.prc.gov/docs/73/73197/CP2010-38%20Perfrm%20Rept%20re%202011%20Public.xls>
<http://www.prc.gov/docs/73/73197/CP2010-38%20PerfmRpt%20NetSummaryPublic.xls>
<http://www.prc.gov/docs/73/73197/CP2010-38%20USPS%20Performance%20Report.pdf>
<http://www.prc.gov/docs/73/73197/CP2010-38%20Perfrm%20Rept%20re%202010%20Public.xls>
- **CP2011-51** Customer Contract Filing Notice for Priority Mail?Non-Published Rates Serial Number Ending: 0001
<http://www.prc.gov/docs/73/73190/Notice.Filing.0001.pdf>
<http://www.prc.gov/docs/73/73190/PMNPR-FY11-MAR11-0001.Public.xls>
- **RM2011-9** Order No. 744 - Order Concerning Analytical Principles Used in Periodic Reporting (Proposal One)
<http://www.prc.gov/docs/73/73189/Order744.doc>
<http://www.prc.gov/docs/73/73189/Order744.pdf>
- **Semi-Annual Report to Congress from the PRC Office of Inspector General** covering the period October 2010 through March 2011
http://www.prc.gov/prc-docs/aboutprc/offices/OIG/OIG%20report%20Oct%201,%202010%20-%20Mar%2031,%202011_1856.pdf


 **Financial Times:** A storm has broken over government plans to write-off a large part of Royal Mail's £1.7bn debt as historic legislation to allow privatisation of the state-owned postal operator passed its final parliamentary stage. Private sector competitors complained that the bail-out was "anti-competitive" and gave warning they would object to the European Commission over its scale, while commercial mail users said they would face higher prices. Industry experts said Royal Mail's deteriorating financial position, coupled with other uncertainties, raised the danger that the company would be sold too cheaply, if a buyer could be found at all. Ministers have yet to decide how much of Royal Mail to sell or whether to do it through a stock market flotation or sale to an industry or private equity buyer. At least 10 per cent of shares would go to employees.

 **Online PR News:** Shipsurance Insurance Services is proud to announce the release of InsurePost.com. InsurePost allows shippers to cover their packages quickly and at a great coverage rate. The entire process of insuring a package all the way through the claims process can be managed from one central online service. Shipments sent via the United States Postal Service, FedEx, UPS, and Canada Post can be insured for a fraction of the carrier cost.

 **The Telegraph:** Up to £1.7 billion of public money will be injected into Royal Mail as part of the Government's plans to privatise the national postal service, ministers said. Adding in the cost of taking over its £8.4 billion pension deficit, it means that the bill to the taxpayer of selling off Royal Mail could be more than £10 billion. The news came as plans to privatise Royal Mail were formally agreed by Parliament. The sale could happen as early as next year.

 **National Association of Major Mail Users:** In a statement released today, the National Association of Major Mail Users (NAMMU) said that the economic impact of Canada Post labor disruption has reached a tipping point with the mail industry. "We need to get back to work," said NAMMU President, Kathleen Rowe. Commenting on Canada Post's estimate of a fifty per cent reduction in volume, she expressed no surprise. The mail industry and Canada Post are interdependent. The low volumes experienced reflect the impact of large and small mailers walking away from the mail channel to alternatives that may prove to be cost effective. Much of this business will not be back.

 **Courier, Express, and Postal Observer:** The future of the Postal Service is no longer a question for just postal stakeholders. The default on Postal Service obligations to the Federal Government this fall will create above the fold headlines in national newspapers when it comes shortly after the Federal Government faced either actual or potential default to its obligations due to the inability of Congress to raise the debt ceiling. These headlines have already begun in numerous publications that are widely read by the Washington Political elite.

 **Washington Business Journal:** Alexandria-based VSE Corp., which closed its \$180 million acquisition of Wheeler Bros. Inc. Monday, has scored its first piece of new business because of it. VSE, a government engineering and construction contractor, said Thursday that the US Postal Service will award it a contract to develop a prototype of a more fuel efficient version of the USPS' delivery truck.



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



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


- [Barriers to Retail Network Optimization \(Report Number RARC-WP-11-005\)](#). The Postal Service's retail network of 36,000 Post Offices, stations, branches, and contract facilities is not very different from the network that existed 40 years ago. A new OIG white paper Barriers to Retail Network Optimization examines the statutory, regulatory, political, and institutional barriers to retail optimization and modernization. We also invite you to share your thoughts on this topic and the paper on our [blog](#).
- [Compliance with Occupational Safety and Health Administration Recordkeeping Requirements \(Report Number HR-AR-11-004\)](#). We reviewed a sampling of Occupational Safety and Health Administration (OSHA) Forms 300 and 301 from selected postal facilities for calendar years 2009 and 2010. We found 90 percent of the OSHA Forms 300 and 25 percent of the OSHA Forms 301 contained errors or were incomplete. The errors occurred, because the Postal Service did not have adequate procedures for ensuring OSHA recordable injuries or illnesses are appropriately identified, classified, and recorded. Also, management did not require responsible officials to take OSHA recordkeeping training. Additionally, existing policy does not provide clear guidance for determining OSHA recordable dates, and managers completed the OSHA 300 Forms manually, which increased the risk of inaccurate recordkeeping.
- [Postal Service's Innovation Process for Competitive and Market-Dominant Products \(MS-AR-11-004\)](#). The Postal Service faces regulatory and market constraints to innovation that private companies do not. Despite these external barriers, the Postal Service has introduced some innovations including Priority Mail® Flat Rate Boxes, Intelligent Mail barcode (IMb), Critical Mail, Simplified Addressing, and the Flats Sequencing System (FSS). Management should increase its efforts to support a culture of innovation that would support advancements within current statutory authority. This includes a comprehensive innovation strategy and a more disciplined process for the development and implementation of market-based initiatives.



U.S. Postal Service: In a letter to the editor of BusinessWeek, Postmaster General Patrick Donahoe wrote:



Your recent cover story about the U.S. Postal Service ("The End of Mail," May 30-June 5, 2011) missed an opportunity to highlight how the Postal Service is competing aggressively for customers in a challenging marketplace. Yes, we are currently facing a financial crisis, but absent unique congressional mandates, the Postal Service would have recorded a cumulative profit over the last four years. Our successful flat-rate shipping products are just one example of how we are generating new revenue and providing quality products and services to meet the changing needs of our customers. As for the story's numerous "junk mail" references, advertising mail is what helps


make the Postal Service core to a trillion-dollar mailing industry that employs more than 8 million people and drives our nation's commerce. With the right legislation the Postal Service can return to profitability and continue to deliver value, convenience and innovation to American businesses and residences for generations to come.


 [Courier, Express, and Postal Observer](#): For over a week, the Canadian Union of Postal Workers (CUPW) have struck Canada Post in a series of rotating strikes that affects Canadian cities on nearly a random basis. The impact of the strike is clear and it is not good for either CUPW members or Canada Post customers.





News from the June meeting of the Board of Directors of the Association for Postal Commerce. Honors of the association were given to two very special individuals:


- **Stan Woodruff Award, Wanda Senne**, National Director of Postal Development, World Marketing, Inc. In granting the award, PostCom Chairman Joe Schick said: "Wanda Senne has worked boundlessly to ensure that PostCom can make available to its members (and many others) the best information and technical assistance the association can provide. She has spurred the development of a number of webinars and podcasts that have been instrumental in highlighting PostCom's value and role as a provider of postal information. She also has given quite generously of the resources she and her company have at their disposal to make these educational programs of the highest quality." 
- **J. Edward Day Award, Ian Volner**, General Counsel to PostCom, Venable LLP. In granting the award, PostCom Chairman Joe Schick said: "PostCom's highest honor is named after President John Kennedy's postmaster general, J. Edward Day, who also served for many years as this association's general counsel. Tonight's recipient of the J. Edward Day Award has distinguished himself in many ways that can aptly be characterized as a lifetime of rendering extraordinary service in behalf of the entire mailing industry and the nation. In fact, this is the very person who succeeded J. Edward Day in the role of PostCom legal counsel." 


 [SkyNews](#): The privatisation of the Royal Mail could begin this summer, as the proposals formally allowing the sell-off are expected to be passed by MPs.

 [Telegraph Journal](#): With Canada's economy in very fragile early stages of recovering from the biggest international financial meltdown since the Great Depression, having shed many thousands of full-time jobs over the past four years and the world's financial system teetering on the edge of slipping back into double-dip recession, seeing unionized postal workers, with their already absurdly high remuneration and benefits package on the picket line rubs the wrong way. Compared with people doing similar types of work in the private sector, CUPW members with secure employment (including fully indexed pension plan and raft of other featherbed advantages) turning up their noses at the employer's offer of a \$19 hourly starting wage (down from the current bizarre \$23) and straight-facedly demanding more! more! more! is offensively absurd.


 [TMCNet](#): NEC Corporation has announced the conclusion of a contract with Swiss Post (CEO: Mr. Jurg Bucher), Switzerland's national postal service, to provide three advanced and fully automated Flat Sorting Machines (FSM) for mail centers in Mulligen, Harkinggen and Eclepens by the end of 2012.


 [InsideIreland](#): CityPOST, a private postal services company and competitor of An Post, is to create 180 new jobs over the next 18 months. See also [RTE](#).


 [Post & Parcel](#): CTT-Correios de Portugal has seen a year-on-year drop in net profit, the company confirmed.


 [Washington Post](#): With each passing day, it is more obvious that the U.S. Postal Service's business model is "not viable," as a Government Accountability Office report put it last year. Having lost \$8.5 billion in fiscal 2010, USPS

expects to lose another \$8.3 billion in fiscal 2011. Personnel accounts for 80 percent of the Postal Service's costs, but its new 41 / 2-year agreement with a 205,000-member union cuts costs only \$844 million a year. And USPS has to pay \$6.7 billion to retiree health and worker compensation funds by Sept. 30. USPS, in short, could be unable to make payroll in the near term unless Congress acts. Yet the likeliest answer from Capitol Hill is to extend more aid, enabling USPS to limp along for a few more years, without attacking the Postal Service's dysfunction at the roots.


 [The Vancouver Sun](#): Strike action by postal workers will step up and stretch across Canada Thursday morning, as more than 800 workers were set to hit the picket lines from east to west. The Canadian Union of Postal Workers announced Wednesday night it will escalate its pressure on Canada Post and hold 24-hour strikes in more than a dozen cities. See also [Montreal Gazette](#).

 [CHCH](#): Canada Post is cutting staff levels at sorting plants, and is trimming home delivery to three days a week in urban centres starting next week. Canada Post says workers will only be paid to deliver mail three days a week starting Monday, because mail volumes have dropped 50 per cent since last Thursday, when postal workers started rotating walkouts.

PostalVision 2011  [Politico](#): What do Google and the U.S. Postal Service have in common? Not a lot, you might say. But next week, tech geeks will gather in a hotel conference room in Crystal City to discuss what icons of the digital age like Google can do to save the outmoded and unprofitable — but essential — business of snail mail.

 [Canada Post](#): Due to a significant drop in mail volume Canada Post is forced to immediately reduce costs by making adjustments to staffing and delivery schedules. With rotating strikes continuing across the country, Canada Post must act now to avoid significant losses that will harm the company's financial self-sustainability.


June 8, 2011


 [Presort.com](#): If it seems like your mailbox is brimming with direct mail advertising these days, you are not imagining things. After three years of declines, spending on everything from simple postcards to glossy brochures is rising. Direct-mail advertising sales rose 3.1 percent last year, a significant turnaround from the previous three-year drop of 20 percent, according to New-York-based marketing consulting firm Winterberry Group LLC. The firm is forecasting a 5.8 percent increase in direct mail spending for 2011.




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


[Conflicts of Interest: Facility Leases and Contract Delivery Services \(DA-AR-11-008\)](#). Our audit determined the Postal Service entered in approximately 1,200 leases with current or former postal employees, annual rent value of \$8.2 million. Of these properties, 982 were active leases, with annual rent value of \$5.4 million. About 170 of the active properties were leased from current postal employees. Some of the leases pose risks of violations, while others give the appearance of a lack of impartiality by primarily former postal employees. Similarly, the Postal Service entered into 78 of the 7,797 total Contract Delivery Services contracts with current or former employees that, in some cases, resulted in apparent violations of federal regulations and Postal Service policies. Others also give the appearance of impropriety.


 [Hellmail](#): Privatisation of the Royal Mail will move a step closer tomorrow (Thursday) as MPs argue the final details of the sell off prior to the Bill moving to Royal Assent. Despite attempts by the Royal Mail to claw back lost business and reduce operating costs, further job losses seem inevitable, potentially breaking a long track record in finding alternative employment within the group for displaced employees.


 [The Suburban](#): Postal Union President Denis Lemelin and his various regional vice-presidents, have made a point in their media appearances to underline that this dispute is not so much about money as much as it is about


automation, worker safety and employee dignity. They have even appealed to the public to pressure Canada Post to be more forthcoming. Well, since the union wants us to think about their issues, let them think on the following - we think the broad public is tired of their essential services being disrupted. Frankly, we can all understand a legitimate money dispute. But if we were to take the CUPW leaders at their words, it makes this strike even less necessary. And raises the policy question of when are essential services not essential. The answer is never.


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


 IT chaos at Poste Italiane: A server blocked several financial services in most of Poste Italiane's around 14,000 branches for four days, from last Wednesday to Saturday. Customers could neither deposit or withdraw money nor could statements of accounts be printed due to a newly introduced software. At the same time, most ATMs were also blocked.


 The share prices of PostNL and TNT Express dropped significantly in the first days after the company's split up.


 Deutsche Post relented in the conflict with the financial authorities that sparked last autumn (CEP-News 43/10). In a written statement Deutsche Post informed the affected customers that some products, addressed direct mail (Infopost) among them, will be liable to VAT from July 1 on.


 Canada Post is being hit by strikes. Since Friday the postal service is affected by rotating strikes of the organized employees. Postal workers stopped their work for up to 48 hours at several locations. The union said the strikes were inevitable after 7 months of inconclusive negotiations.


 Royal Mail is not getting a break. Following strikes at the Crown Post Offices (CEP-News 10/11) and at subsidiary Romec as well as the discussion about finding a solution for the company's gigantic pension fund deficit (CEP-News 21/11), Royal Mail is now threatened by a nation-wide strike.


 Austrian Post's price increase which took effect in May (CEP-News 04/11) prompted the the Austrian Federal Competition Authority (BWB) to act.

 The Brazilian government's search for a co-operation partner for the postal bank proved successful.

 The strike of postal staff in Algeria heavily affects daily life. Many branches are closed due to the almost two-week long strike or the employees present refuse to do their jobs. The postal employees demand better labour conditions and higher salaries.

 PostNL plans to achieve growth in the direct marketing sector through franchising. Last week the Dutch post announced that its subsidiary Euro Mail started a pilot project as a franchiser.

 DHL plans to expand westwards in China. Ken Allen, chief executive of DHL Express, announced this in an interview with »China Daily« (02.06). According to Wu Dongming, managing director of DHL-Sinotrans International Air Courier Ltd., DHL's express joint venture in China, said, 'notable business growth was seen in cities in the western and central regions, such as Chengdu, Chongqing and Wuhan'.

 The major incumbents largely agree on their world economy growth forecasts. UPS, FedEx and DHL all expect growth in 2011 - at a slower pace however.



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 Service

NOTICES


Meetings; Sunshine Act:


Board of Governors ,


33375 [2011-14244] [\[TEXT\]](#) [\[PDF\]](#)





[Transport Intelligence](#): DHL has announced that it has reached a significant milestone in further enhancing the security of its global shipping network. Following the recent certification of its Los Angeles and San Francisco gateways by the Transported Asset Protection Association (TAPA), DHL Express has achieved full TAPA certification for all of its key North American facilities. Its North America locations include its US Express hub in Cincinnati, Ohio, gateways in Miami and New York City and its principal gateway in Toronto, Canada. DHL Express is the only integrator in North America to achieve such a milestone.


 [Sun Journal](#): The Social Security Administration says some Social Security checks destined for people in Portland have been lost in the mail.


 [MetroNews](#): As union employees continue rotating strikes, it seems some Edmonton residents are becoming weary of using Canada Post.

 [Balkans Business News](#): Serbia's Prime Minister Mirko Cvetkovic said yesterday that the Serbian government and postal company Posta Srbije have been working intensively in the last few weeks on the introduction of integrated postal service which should boost exports of small and medium-sized enterprises (SMEs) and increase employment.


 [The Victoria Times Colonist](#): There will always be a need for an organization that can deliver items to every Canadian, cheaply and efficiently, as Canada Post has been doing since the birth of our nation.

 [Stuff](#): It was unimaginable less than 20 years ago. Yet, the day is fast approaching when New Zealand will no longer be able to afford a network of postal retail outlets or a scheduled door-to-door mail delivery service. Volumes of mail have been shrinking since 2005 as electronic bill paying and letter transmission replace traditional physical delivery. Last year NZ Post handled 864 million items, about 9 per cent fewer than two years earlier. The company had 1.9 million delivery points, each receiving 20 per cent fewer items of mail than only three years ago. If re-elected on November 26, the National Government would promote partial state asset sales. Stakes of up to 49 per cent would be sold in state-owned energy companies Mighty River Power, Genesis Energy, Solid Energy and Meridian Energy. The 75 per cent stake in Air New Zealand would be reduced. Treasury has estimated these sales might raise between \$5b and \$7b for spending on new state assets. The companies on the block are self-contained, profitable businesses that paid collectively nearly \$800m in dividends last year. It could be argued that the Government would be selling off productive assets and denuding itself of future income, while retaining assets that would continue to be a drain on taxpayer funds.

 [Washington Post](#): With each passing day, it is more obvious that the U.S. Postal Service's business model is "not viable," as a Government Accountability Office report put it last year. Having lost \$8.5 billion in fiscal 2010, USPS expects to lose another \$8.3 billion in fiscal 2011. Personnel accounts for 80 percent of the Postal Service's costs, but its new 41 / 2-year agreement with a 205,000-member union cuts costs only \$844 million a year. And USPS has to pay \$6.7 billion to retiree health and worker compensation funds by Sept. 30. USPS, in short, could be unable to make payroll in the near term unless Congress acts. Yet the likeliest answer from Capitol Hill is to extend more aid, enabling USPS to limp along for a few more years, without attacking the Postal Service's dysfunction at the roots.


 [The Daily Caller](#): In a speech he delivered on Tuesday at the University of Chicago, presidential aspirant and former Minnesota governor Tim Pawlenty said he would apply a "Google test" to the federal government: "If you can find a good or service on the Internet, then the federal government probably doesn't need to be doing it. The post office, the government printing office, Amtrak, Fannie and Freddie were all built for a different time in our


country when the private sector did not adequately provide those services. That's no longer the case." Pawlenty is wrong in claiming that the private sector "did not adequately provide" mail delivery, passenger rail, and housing finance in the past, but he is definitely correct when he says that it is well past time for the federal government to extricate itself from commercial activities.


 [Montreal Gazette](#): Canadians are mailing as little as half of their average amount since postal workers first went on strike last week, Canada Post says. "This decline in volumes comes at a time when the company is already struggling to address significant business challenges," the crown corporation said Tuesday. "Canada Post does not understand why the Canadian Union of Postal Workers (CUPW) would willingly damage the business with strike action when the company has put a strong offer on the table."


 [National Association of Major Mail Users](#): The Canadian Union of Postal Workers (CUPW) is continuing its rotating strike tonight, starting at 11:00p.m. EDT in Calgary and midnight EDT in Edmonton for a duration of 24 hours.


June 7, 2011


 [Executive](#): In an age when email and digital social media dominate the present and future of communications, traditional postal systems are losing their role as the primary means of communication. Yet, postal systems remain a vital way to reach people, even in the age of instant communication. What postal systems lack in speed they make up for in other benefits. They offer a way for citizens, especially those in rural areas, to better communicate with each other and their communities; a way for companies and merchants to reach their target audiences with direct mail, e-commerce deliveries and, perhaps most important to governments, a way to locate citizens in an emergency, get them essential services and documents and help them transfer money safely.


 [MarketingVox](#): The US Postal Service continues to highlight the increased punch that a combo direct mail- e-commerce strategy can deliver. Its latest example: My Macy's, the department store's localization initiative that was pushed to a new level in November 2010. It was then, USPS' Deliver Magazine reports, that the department store personalized its direct mail marketing strategy to target regional preferences and individual shopper habits.


 [Digital Journal](#): Mail volumes at Canada Post have fallen as much as 50 per cent since the union started rotating strikes on June 3rd. This decline in volume comes at a time when the company is already struggling to address significant business challenges. Canada Post does not understand why the Canadian Union of Postal Workers (CUPW) would willingly damage the business with strike action when the company has put a strong offer on the table.


 [The Canadian Press](#): Canada's postal workers are considering an escalation of their current round of rotating strikes but have so far stopped short of suggesting a full-blown national walkout is the next step. Leaders at The Canadian Union of Postal Workers said they planned to meet later in the day to discuss strategy. Among the options under consideration is a strike at the national level, said Jeff Callaghan, CUPW national director of the Atlantic region.


 [National Association of Major Mail Users](#): We are not satisfied that the plight of mailers, nor their supporting infrastructure of mainly small to mid-size business is clear to the new political representatives, nor to Canada Post. If you click on the link below, you will find the Hansard for June 6th, and the discussion is on Canada Post "profitability". Canada Post has not paid income tax (and will be relieved for some time) in order to invest those funds in Postal Transformation. In addition, the amount of \$281 million may sound like a substantive amount of money, but not on a revenue base of \$7.3 billion. NAMMU concerns for mailers lie in annual rate increases that can only increase as the volumes go down due to this labor disruption, and the fact we are investing significantly in system changes to meet Postal Transformation requirements. Electronic conversion is a particular strategy for many mailers as an alternative during these rotating disruptions. Some percentage of the mail that is not being entered now will never return - this includes Transaction Mail (Lettermail) and advertising mail, which is for most postal administrations the engine for growth.


 [United States Court Of Appeals For The District Of Columbia Circuit](#), The United States Postal Service, LePage's 2000, Inc., and LePage's Products, Inc. (the latter two collectively "LePage's"), seek review of a Postal Regulatory Commission order classifying the Service's licensing of its intellectual property for use on third-party mailing and shipping supplies as "nonpostal" under the Postal Accountability and Enhancement Act, and requiring the Service to discontinue that activity. The petitioners contend that the Commission improperly departed from a previous order without explanation and failed to support its findings with sufficient evidence. We agree with petitioners' first argument. We therefore grant the parties' petitions for review, vacate the Commission's order, and remand for further proceedings consistent with this opinion.


 [Post & Parcel](#): The International Post Corporation (IPC) has confirmed a partnership with Massachusetts Institute of Technology (MIT) Center for Digital Business to explore the role of postal operators in the provision of digital business platforms.


 [CanadianBusiness](#): Canada Post and its union have stepped away from the bargaining table and there's no immediate word on when they'll start talking again, as rotating strikes continue to hit selected communities.


 [Courier, Express, and Postal Observer](#): Talking Points Memo reports that Republican Presidential candidate Tim Pawlenty will call for the privatization of the Postal Service when he announces his economic plan at the University of Chicago. See also the [Atlantic Wire](#).


 [York Press](#): The traditional sight of posties on their bikes may soon be a thing of the past in York as Royal Mail switches to making deliveries with trolleys. The company says it needs to modernise and adapt to changes, which mean it is now delivering fewer letters but more parcels.


 [The Bolton News](#): The increase in the use of smartphones and mobile tablets, such as iPads has caused a shift in the postal market as email and social networking replaces letters while burgeoning online shopping has put a flood of parcels in circulation.


 [Courier, Express, and Postal Observer](#): The Postal Service has begun taking advantage of the APWU contact by issuing hiring announcements for Postal Support Employees (PSE's) nationwide. PSE's should become a major part of the workforce at a significantly lower cost to the Postal Service within two months.

 [The Vancouver Sun](#): Earlier this week, the Office of the Inspector General in the U.S. told Congress that the U.S. Postal Service has been too slow to downsize its network in light of declining mail volumes. Sound familiar? Except, compared to the U.S. Postal Service, Canada Post is in fantastic shape, no thanks to its union or its employees.


 [The ChronicleHerald](#): Canada Post rejected the latest contract proposal from the union representing 50,000 urban workers Monday, but backed away from a plan to create more part-time positions to deal with a decline in mail.


 [Hellmail](#): The International Post Corporation (IPC) announced its commitment to work with the Massachusetts Institute of Technology (MIT) Center for Digital Business to carry out research projects and the publication of a white paper on the role of postal operators in the provision of digital business platforms in the coming year.


 **Attention PostalOne! Users** Our telephone supplier will be performing maintenance on our phone system. Due to this maintenance the PostalOne! help desk will be experiencing intermittent outages on Tuesday, June 7 from 5:00 pm – 9:00 pm (CT). If you are attempting to call the PostalOne! help desk during this time and are not successful in getting through, please submit your question / concern via email to postalone@usps.gov.


 [American Postal Workers Union](#): Recent headlines that predict the Postal Service will collapse within one year demonstrate the importance of APWU members getting involved in legislative affairs, President Cliff Guffey said. A sampling of recent news articles about the state of the Postal Service. [PDF] "To ensure the survival of the Postal Service — and our jobs — I urge each and every member to make a commitment to legislative action," he said.

“The USPS is under attack by anti-labor politicians and some sectors of the business community,” Guffey continued. “It is crucial that APWU members get involved.

 **Washington Post:** White House beancounters would have to keep close tabs on the number of federal employees on the government payroll if a Republican proposal to trim the federal workforce advances. Three leading House Republicans on Monday unveiled the details of plans to replace every three federal employees that depart with only one new hire, in hopes of trimming the workforce by 10 percent by 2015 and fulfilling a key element of the House GOP’s 2012 budget plans. If passed, the legislation would require the Office of Management and Budget to track the size of the federal workforce on a quarterly basis and report to Congress in writing if the number of employees exceeds 90 percent of its size in fiscal 2011. No agency would be permitted to fill job vacancies once the limit was exceeded. Agency employees would be tallied on a full-time equivalent basis, according to the legislation.


 **CBC News:** Thousands of people in Edmonton saw a disruption in mail delivery Monday after Canada Post laid off casual staff and stopped paying overtime.

 **The Globe and Mail:** The rolling walkouts mean fewer problems for businesses, most of which now send the bulk of their documentation by electronic means. “It’s like Strike 2.0,” said Michael Mulvey, a marketing professor at the University of Ottawa. “It’s a completely different kind of situation than the old-school strikes that we experienced in the 1970s and 1980s, and even in 1997.” With the Post Office no longer holding anything close to a monopoly in the delivery of documents, most businesses and consumers are not nearly as dependent on its services, Prof. Mulvey said.

 **National Association of Major Mail Users:** The Canadian Union of Postal Workers has called for a rotating strike for midnight, local time in the respective cities, lasting for 24 hours. About one thousand postal workers will be out on strike in various locations. See also [Canadian Press](#).

 *At the Postal Regulatory Commission:*

- **Docket No. A2011-8 Order Affirming Postal Service Determination.** "Concurring Opinion of Chairman Goldway The Postal Service developed an extensive record on this action which supports its decision. Nonetheless, I take this opportunity to express concern that the Postal Service appears to be proceeding to close an increasing number of facilities even while it is considering proposed Discontinuance Rules revisions designed to improve its decision-making process, and in particular the ability of concerned members of the public to participate meaningfully in that process. The public would be better served if improved procedures were implemented and followed before additional facilities are closed. "

 **Courier, Express, and Postal Observer:** The announcement that Dan Blair has accepted the position of President and Chief Executive Officer of the National Academy of Public Administration assures that within the next six months the Postal Regulatory Commission will have two new members. Commission Blair will resign from the Postal Regulatory Commission on June 30, 2011. This could leave the Commission with four members until President Obama appoints and the Senate confirms a replacement.

June 6, 2011



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


Training . . . Stay Or Pay? Many companies, including the U.S. Postal Service, invest a great deal of time and money training employees. Should these employees be required to pay back the training costs if they resign shortly after they complete their training? Let us know what you think at <http://blog.uspsoig.gov>.

 **DMM Advisory: June DMM Update.** Postal Explorer[®] (pe.usps.com) is your source for up-to-


date mailing standards. The *Domestic Mail Manual* (DMM®) is fully searchable on Postal Explorer and features fly-out menus, cross-reference links, and an extensive subject index. Today, we updated our mailing standards to capture the following changes:


- **Optional Use of a Local Permit Imprint in Other Mailing Locations**
We revised [604.5.3](#) to provide a new option to mailers contributing permit imprint mailpieces to a mailing presented under an authorized First-Class Mail or Standard Mail Mailings with Different Payment Methods Mailing System.
- **Pallet Placards and Intelligent Mail Tray Labels**
We revised [705.8.6](#) and [708.6.6](#) to provide an additional option for mailers who need to print destination entry office information on pallet placards
- **Revised MLOCR Automation Price Marking Codes**
We revised [705.5.3.2a](#) and [705.5.3.2b](#) to provide an updated listing of multiline optical character reader (MLOCR) automation price marking codes.
- **New Customs Declarations Label Requirements**
We revised [608.2.4](#) to require mailpieces containing goods that enter the Customs Territory of the United States (CTUS), from outside the CTUS, to bear a customs declaration label.
- **Market Dominant Negotiated Service Agreement for First-Class Mail and Standard Mail**
We added [709.1.4](#) to establish a new Negotiated Service Agreement (NSA) market dominant product for the combined total revenue of First-Class Mail automation letters, Standard Mail automation letters, and Standard Mail carrier route barcoded automation-compatible letters.
- **POSTNET Barcode Certification Program**
We revised [509.1.7](#), and [Notice 123, Price List](#), to remove the POSTNET Barcode Certification Program which is no longer in use.
- **Revocation of Permit Imprints** We revised [604.5.2.2](#), to specify that, among others, one of the conditions that a permit imprint may be revoked is for failure to mail using the permit or pay the fees for a two-year consecutive period.


Find It Easier and Faster — Labeling Lists Have a New Home! No more clicking through the Domestic Mail Manual (DMM®) to find the appropriate labeling list for your mailing. You asked – we listened! The labeling lists (in both PDF and HTML formats) are now available immediately on the Postal Explorer® home page under “Additional Links” in the lower right corner. One click and you’re there!


 **National Academy of Public Administration:** The Board of Directors of the National Academy of Public Administration is pleased to announce that Dan G. Blair, a widely recognized expert and leader in public service management, has been selected as the Academy’s President and Chief Executive Officer. Blair currently serves as a Postal Regulatory Commissioner and had served as PRC Chairman and as deputy director and acting director of the Office of Personnel Management. The National Academy of Public Administration (www.napawash.org) is a Congressionally chartered, independent, non-partisan organization committed to the improvement of the management of government. Under contracts with government agencies and through grants from private foundations, the Academy provides insights on key public management issues.




 **Hellmail:** The British Postal Museum & Archive (BPMA) is launching its brand new redesigned website on www.postalheritage.org.uk.


 **TwinCities:** The Internet and other technologies that have revolutionized communication are making life tough for the U.S. Postal Service. That hurt is being passed down to small-town post offices. The Postal Service, which could close as many as 2,000 in the next few years, already has announced it will close 10 post offices in Minnesota. Most of the post offices on that list are in towns that even well-traveled Minnesotans may be unfamiliar with, communities like Flom, Taopi or Steen. But for residents, their small towns are the centers of their universe, and losing the post office is going to hurt.


 [The Globe and Mail](#): There is fear among some businesses – particularly the smaller ones that tend to still rely on the postal system for such things as invoicing and bill payments – that the rolling strikes will escalate into a general strike. That could happen if there is no progress soon in talks between Canada Post management and representatives of the Canadian Union of Postal Workers.


 [The Gazette](#): Despite its failings, Canada Post is worth saving

 [SunSentinel](#): The lack of angst and outrage at possible postal service cutbacks shows just how much the world has changed. Not that long ago, any change in traditional postal service — getting rid of regional officials, cutting a day of service, removing stamp dispensing machines — would have been taken as an erosion of America's foundation. Now, people realize communication habits have changed dramatically. With email and texting and social media everywhere, people hardly ever write letters. When it comes to paying bills, online payment is more than just a trend.


 [Canadian Press](#): The head of the Canadian Union of Postal Workers is pleading for the public to pressure the post office to back down on forcing concessions.


 [The Scotsman](#): Union leaders have threatened a national strike among postal workers after reports that the Royal Mail is planning to cut 40,000 jobs, one in four of its workforce in the next five years. While the Communication Workers Union has agreed to work with the Royal Mail in the modernisation of the postal service, the union said it will not accept compulsory redundancies and will instead ballot its members for industrial action.


 [CityTV](#): The Canadian Union of Postal Workers has announced the next site for its series of rotating strikes: Montreal. The city's Canada Post workers will join the picket lines for 24 hours starting at 11:30 p.m. Sunday. The walkout follows a 48-hour strike in Hamilton, and a shorter one in Winnipeg before that. See also [Canada NewsWire](#).


 [The Independent](#): Royal Mail is preparing to slash nearly 40,000 jobs over the next five years as it seeks to combat the inexorable decline in postal volumes and privatisation. The postal operator has already agreed a three-year deal with the Communication Workers Union to cut headcount by 8,000 a year until 2013. But Moya Greene, who became chief executive last July after leaving Canada Post, is expected to drive through a further 15,000 by 2016. Ms Greene is close to agreeing a revised business plan with the Government for a slimmed-down Royal Mail. This will make it more attractive to potential buyers next year after the privatisation process gets the green light. The Government is set to receive royal assent for the bill to privatise the postal operator this summer. See also the [Daily Mail](#).


June 5, 2011

 [CityWire](#): The Royal Mail is drawing up plans to cut one in four of its workforce — 40,000 people — in the next five years.


 [PR-USA.net](#): The Financial Consumer Agency of Canada (FCAC) encourages Canadians to pay close attention to bills that will be due in the weeks ahead, so that they can avoid late payment fees or interest charges during a postal strike. During a strike, consumers will not receive regular statements for credit cards, loans or mortgages, utility bills or other invoices through the mail as they normally do. However, consumers should take steps to ensure they are aware of the amounts owed and the due dates, and arrange to make the payments by the due dates.


 [Toronto Sun](#): This expensive service — already well on its way to being phased out across the country — should be junked. Oh, the mail should still be delivered, through rain, snow, sleet and hail, but not to the mailbox hanging on your house. Bring on the once-dreaded, and, really, still despised SuperMailbox. Why? It costs Canada Post an average of \$253 per address a year to hand-deliver your precious bills, magazines and junk mail to your home. Most residents in the city of Toronto who live in a house still get this service. But if you get your mail at a SuperMailbox at the end of your street, or around the corner, the cost for your service is \$100 a year. The added cost of delivering to homes isn't justified any longer.


 [The ChronicleHerald](#): Canada Post continues to operate its vast network across the country despite the launch of rotating strikes by postal workers, the company said Saturday. Mail and parcels continue to be delivered in communities across Canada, a spokesperson for the Crown corporation said.


 [Toronto Sun](#): Postal strike? Bring it on, baby Walkout a momentary nuisance — until people realize they don't need the post office anyway.


June 4, 2011


 [Dead Tree Edition](#): The U.S. Postal Service apparently has a larger share of employees who are over 50 than any Fortune 500 company, a new study indicates. Downsizing through attrition -- mostly from retirements -- is a major part of the Postal Service's strategy to reduce costs in light of declining mail volumes.


 [National Association Postmasters of the U.S.](#): his past week, many PMR's in EAS-15 & 16 offices received a notice that their current positions would be terminated on August 23, 2011, but they would be given a special opportunity to apply for the newly created Postal Support Employee (PSE) position. PSEs are a new category of non-career employee, who will be appointed for a term not to exceed 360 calendar days. Based on operational needs, a PSE may be re-appointed for another not to exceed 360 day term after a 5 day break in service. PSE employees will be entitled to benefits including raises, health benefits and leave, with a \$12 to \$15.85 hourly wage range. NAPUS leaders will meet with USPS officials on Tuesday, June 7, 2011 to discuss the PSE position and how it will impact PMR's and the coverage of Postmasters on their non-scheduled days and leave replacement periods. Postal Headquarters officials will also brief NAPUS leaders on details of the recently ratified APWU contract agreement. The recently issued letter to PMR's appears to have been prematurely released by USPS Headquarters prior to any discussion with the leaders of the two Postmaster organizations, but PMR's who received the letter are encouraged to apply for PSE vacancies as instructed in the letter.


 [Alexandria Town Talk](#): Like any longtime business facing financial trouble, the U.S. Postal Service needs to retool and reconsider its current services, including Saturday delivery. Like twice-a-day delivery, which ended in 1950, Saturday delivery doesn't make economic sense anymore. If a Saturday delivery is absolutely required, it could get to your house special delivery for an additional fee, or by another carrier. The Senate Homeland Security and Government Affairs subcommittee tasked with overseeing postal operations needs to **let the agency conduct its business in the most efficient and cost effective way it can**. That may mean getting the postal service out from under the thumb of government subcommittees.


 [The ChronicleHerald](#): Paying bills on time could be a headache during rotating strikes held by postal workers, with cheques still being used by some businesses and consumers for payments.

 [Calgary Herald](#): Canada Post employees, its union and the likes of Maude Barlow and the Council of Canadians went figuratively postal back in the 1980s when Michael Warren, former CEO of Canada Post and Brian Mulroney's Progressive Conservative government made some much-needed changes. Postal outlets no longer remained government-run dungeons of inefficiency but cheery storefronts inside drug stores. What's more, door-to-door mail delivery service in new communities stopped, replaced by super mailboxes and better automation helped find further efficiencies. As a result, Canada Post has run a profit for the last 16 years (though it is saddled with a \$3 billion pension obligation) whereas the U.S. Postal Service is a whopping \$17 billion in debt and is facing massive layoffs of employees and the closure of many smaller postal outlets.

 [The Californian](#): Congressman Sam Farr announced that he met with U.S. Postal Service officials Friday in attempt to convince them to reconsider moving to San Jose the mail processing facility on Post Drive in Salinas. Farr's office said, however, the meeting did not result in the officials agreeing to reverse its decision.

 [The U.S. Attorney's Office Northern District of Alabama](#): **U.S. Postal Inspectors arrested an Alabaster woman on Thursday on charges that she stole identifying information on about 4,500 patients** from a Birmingham hospital, announced U.S. Attorney Joyce White Vance. *[EdNote: Good for the inspectors! It's nice to see they're taking law enforcement responsibility for the identity theft.*


 **Reuters:** Suppose a company that was losing customers to other firms responded by increasing prices, cutting service, granting raises to workers and overpaying management. If the company then demanded a lavish government bailout, the public would laugh. The company I have just described is the United States Postal Service. A USPS bailout is not the solution. Blowing up the Post Office — its monopoly, its customer-be-damned attitude, its system of lifetime job guarantees regardless of performance — is the solution. After the dust from the explosion settles, the mails will continue to exist, in a leaner, sustainable and more customer-conscious form.


 **The Canadian Press:** Paying bills on time could be a headache during rotating strikes held by postal workers, with cheques still being used by some businesses and consumers for payments. "A lot of our business relies on cheques," said Tracey Higgins, co-owner of Bryan Prince Bookseller in Hamilton, Ont., where postal workers will strike from late Friday until Sunday night.


June 3, 2011


 *At the Postal Regulatory Commission:*


- **MT2009-1** Order No. 742 - Order Granting in Part Temporary Extension of Collaborative Logistics Market Test
http://www.prc.gov/docs/73/73135/Order_No_742.doc
http://www.prc.gov/docs/73/73135/Order_No_742.pdf
- **RM2011-5** Order No. 741 - Order Concerning Analytical Principles for Periodic Reporting (Proposal Nine)
http://www.prc.gov/docs/73/73134/Order_No_741.docx
http://www.prc.gov/docs/73/73134/Order_No_741.pdf
- **RM2011-5** PRC-RM2011-5-LR-2 - Proposal 9 Workpapers - First-Class
<http://www.prc.gov/docs/73/73138/FCM%20PROP%20NINE%20IMPACT.xlsx>
<http://www.prc.gov/docs/73/73138/PRC-FY10%20FCM%20Letter%20Costs%20Final%20Prop%209%20modified.xlsx>
<http://www.prc.gov/docs/73/73138/RM2011-5-LR2.docx>
- **RM2011-5-LR2.docx** RM2011-5 PRC-RM2011-5-LR3 - Proposal 9 Workpapers - Standard Mail
<http://www.prc.gov/docs/73/73137/PRC%20STD%20PRST%20LETTERS%20MP%20PROPOSAL%20NINE.xlsx>
<http://www.prc.gov/docs/73/73137/RM2011-5-LR3.docx>
<http://www.prc.gov/docs/73/73137/STANDARD MAIL PROP NINE IMPACT.xlsx>

 **Canoe:** A strike by Canada Post workers is likely to have a big impact on the country's small to medium-sized businesses and may cost as much as \$250 a day per company, the Canadian Federation of Independent Business says.

 **Washington Post:** The federal government delivers Social Security checks and processes tax returns electronically, but its use of the old-fashioned mail systems is soaring nonetheless, according to a new study. Declining mail volume caused a plunge in the U.S. Postal Service's total revenue in recent years, but the federal government's use of first-class mail jumped 11 percent from 1997 to 2010, according to research by two top officials with the Postal Regulatory Commission, which oversees the Postal Service.

 **Newschannel34:** Congressman Maurice Hinchey (D-NY) today called on the U.S. Postal Service (USPS) to abandon any consideration it is giving to closing up to three postal facilities in Binghamton. The USPS recently announced that it was beginning to study the possibility of closing the postal facilities located on Robinson Street, Vestal Avenue, and Main Street in the city.

 **National Association of Major Mail Users:** The Canadian Union of Postal Workers (CUPW) has taken rotating strike action against Canada Post. The union announced this morning that CUPW employees in Hamilton will be the next to walk off the job, continuing rotating strikes, which began Thursday night in Winnipeg. Hamilton CUPW employees will go on strike at 11:45 p.m. ET Friday. They will be off the job for 48 hours, the union said. Canada Post and CUPW officials are scheduled to meet today.

 **The Globe and Mail:** Postal workers are off the job in Winnipeg today while labour talks continue with Canada Post amid a series of rotating strikes. The Canadian Union of Postal Workers launched the first of its 24-hour walkouts having failed to strike a new deal with the post office after seven months of negotiations. The purpose of a work stoppage is to halt production and pressure an employer to come to terms at the bargaining table. Rotating strikes would be a strong tactic against a manufacturer - General Motors, just as an example, where actual vehicle production would be affected - but against Canada Post they're a minor inconvenience at best.



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

- CoMail, CoPal, Comingle Clarified Join PostCom for a FREE webinar on June 16, 1:00 pm Eastern. Register now, as space is limited: <https://www1.gotomeeting.com/register/571322673>
- The Postal Service provided its report discussing its interim and long-term procedures to obtain accurate measurement of costs by comailed and co-palletized Periodicals as distinct from the use of resources by co-mailed and co-palletized Standard Mail this week. The Postal Regulatory Commission asked for this report by June 1, 2011 in Order No. 667 issued on February 8 in Docket No MC2011-5. This report, according to the Postal Service, confirms that existing systems can still be expected to ascertain the costs for Periodicals and Standard Mail in light of this co-mail/co-palletization initiative.
- The Association for Postal Commerce (PostCom) earlier this week submitted its comments in response to the USPS' proposed rules for Intelligent Mail Package Barcode (IMPb) implementation for commercial parcels. PostCom commended the USPS for many aspects of its proposed rules but asked for clarification on some elements, particularly the various implementation time lines and associated requirements.
- The U.S. Postal Service Office of Inspector General (OIG) provided its report for the first six months of Fiscal Year 2011. The OIG said it conducted 1,661 investigations that lead to 326 arrests and more than \$708 million in fines, restitutions, and recoveries, of which nearly \$68.0 million went to the Postal Service.
- According to Gene Del Polito, "on May the 26th, Bloomberg Businessweek published a story on the U.S. Postal Service (USPS) entitled: The U.S. Postal Service Nears Collapse. The article was co-written by two journalists, one of whom I've known for several years and have assisted in providing background for a number of pieces that were published. I would have expected the Businessweek piece to be a probing inquiry into the Postal Service's troubles with a clear eye on what exactly was at stake for the nation as a whole and the sizable section of the economy that relies on mail as a vehicle for transacting communication and commerce. I didn't get anything for which I would hope. Instead, all I got was a regrettable sense of disappointment."
- As postal commentator Gene Del Polito put it: "The Court of Appeals of the District of Columbia has remanded the decision made by the Postal Regulatory Commission on the Postal Service's exigency rate increase request. Right after the Court's decision was made public the postal rumor tom-toms began beating out the warnings that this move by the court could signal another round of postal rate increases. Welcome to the silly season."
- According to postal commentator Gene Del Polito, "The clamor from House Republicans for the Postal Service to do something to reduce its costs continues unabated. Yet no one in Congress, including those clamoring Members, have the stomach to face the unhappiness of their constituents if the Postal Service should choose to reduce its costs by closing or consolidating a postal facility within their state or district. "Down-size, right-size, do anything to reduce costs, but please, oh please, don't do so in my back yard."
- USPS issues monthly full-service intelligent mail progress report. CRS issues report on USPS' workforce size. USPS to reveal ideas on digital mail services this summer. Innovation one key to salvation for USPS. PRC grants USPS "stay." PRC terminates estimating volume changes from pricing incentives programs proceeding. Impact of Postal Service job cuts by organization. 11 things you should know about the USPS before it goes bankrupt. Postal Service sends out 2,400 RIF notices. What's wrong with the US Postal Service? USPS awards Parascript contract for parcel bundle sorting. USPS searches for more advertising mail.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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



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[Des Moines Register](#): Closing post offices seems to go against the USPS philosophy of "universal service," but it is doing it. When operating a specific post office costs way more in one month than it brings in revenue for the year, decisions have to be made. Every penny increase in gasoline costs the USPS at least \$8 million. The USPS should not give up on these communities but should find ways to let those communities keep their postal identity -- ZIP codes -- and keep universal service as well. The USPS should not give up on six-day delivery but look at ways to make it work - alternate Saturday delivery, business delivery only.

[Lincoln Star](#): The U.S. Postal Service is considering moving outgoing mail operations from Lincoln's downtown post office to the main office in Omaha, a change that would eliminate about 26 positions here and add about 15 in Omaha. The move also would mean outgoing mail from Lincoln -- even letters being sent elsewhere in the city -- would go to Omaha before being delivered.

[The Vancouver Sun](#): Winnipeg postal strike a go without "dramatic" offer from Canada Post, union leader says.

[London Free Press](#): Canada Post's last-minute concessions were not enough to stop the Canadian Union of Postal Workers from beginning rolling strikes in Winnipeg. See also [CTV News](#).

[PRNewswire](#): Despite the 24-hour rotating strike by the Canadian Union of Postal Workers to begin in Winnipeg at 11:59 tonight, the U.S. Postal Service will continue to accept, process and deliver mail to Canada until further notice. This limited action by the Winnipeg local is expected to have minimal impact on service, as Winnipeg represents two percent of the population of Canada. U.S. Postal Service officials have been closely monitoring the possible strike situation in Canada and have been making contingency plans in the event of a full or partial strike by Canadian postal workers.

[NEXT](#): Aggrieved retirees of the Nigeria Postal Services {NIPOST} in Ogun State yesterday became even more disgruntled, as the management said it would pay them only one month out of the 72 months accumulated pension it owed them.


June 2, 2011

[CTV](#): Close to 1,500 unionized Canada Post workers in Winnipeg could hit the picket lines if a deal isn't reached by 11 p.m. Thursday. Both the union representing workers and Canada Post said they'll negotiate right up until the deadline to try to avoid a strike of workers across the country.





[U.S. Postal Service](#): "National Mail Service Updates"

[Forbes](#): *The dirty secret is out!* Watch a live stream of a Major League Baseball game, or a speech from the next Climate Change Convention on your broadband-wireless-connected tablet and you personally — not all the participants, viewers and hangers-on, just **you — are using about as much energy as driving about 30 miles in your favorite car.** Entertainment, and specifically video, is driving the next cycle of hyperbolic growth in the Internet. If we add up all relevant activities that are Internet-centric or enabled — all digital equipment manufacturing from handhelds to data center servers, radio, TV, and wired and wireless telecom, and the entertainment companies — we find roughly one-fourth of our total economy. It should not be surprising that an enormous part of our economy is a major energy consumer. **The largest share of the digital economy's energy, almost entirely electricity, does come from coal. High-tech products require an astounding 1,000 times more energy per kilogram to manufacture than the materials that dominated the 19th and 20th centuries.**

 [PRNewswire](#): - As suggested by its Reduce our Environmental Footprint Go Green Forever stamp, **the U.S. Postal Service became a lot greener last year**. Known globally for sustainability innovations and leadership, the agency reported an 8 percent reduction in greenhouse gas (GHG) emissions from a fiscal year (FY) 2008 baseline. The reduction of 1,067,834 metric tons of CO2 is an amount equal to the annual emissions of approximately 204,000 passenger vehicles.




 [The Register](#): Pundits this week are describing Nokia's fall from grace as one of the greatest corporate car-crashes of all time. Five years ago, Nokia was a market maker and a global consumer brand, comparable perhaps only to Sony for its influence and reach. This week shares are back at 1998 levels. *[EdNote: There's a lesson here for the Postal Service.]*

 [CNN](#): As more people have grown adept at text-based messaging, and more own smartphones that can send messages via text, e-mail, Facebook or Twitter, voice chatting is becoming something of an afterthought. Research shows voice calling on mobile devices mostly flat or dipping, while other uses are on the rise. In a recent survey, respondents said they'd made or received 21 calls or voicemails in the past 48 hours (a number likely inflated, Gagnon said, because many respondents used their mobile phones for work). By comparison, they'd sent and received 55 texts, checked e-mail 15 times and browsed the Web another 10 times during that time. That's 80 "interactions," or roughly quadruple the number of voice-based ones.

 [Canadian Labour Reporter](#): The Canadian Union of Postal Workers (CUPW) is planning to begin rotating strikes in Winnipeg tonight, the province they say was first impacted by the company's modernization program. See also [CBC](#).





[Office of Inspector General Semiannual Report to Congress October 1, 2010 — March 31, 2011](#)


 [MediaDailyNews](#): The first quarter of 2011 brought no relief for the newspaper industry, which suffered another round of declines in print advertising revenues. The first-quarter results from the Newspaper Association of America stand out against a general recovery in ad spending for other media, and suggest that newspaper print ad revenues are locked into a permanent, long-term decline.


 [Postal Technology International](#):

- [Parascript awarded contract for OCR at USPS facilities](#)
- [USPS helps motorists gear up for driving season](#)
- [M-Netics launches next generation proof of delivery solution](#)
- [Pitney Bowes and Promail announce new partnership](#)
 - [DHL wins safety gold](#)


 [Logistics Manager](#): DHL Same Day has improved efficiency of dispatch and increased courier productivity after deploying M-Netics IM2 proof of delivery system.


 [Calgary Herald](#): Don't bet on people going postal if Canada Post letter carriers follow through with their threat to strike at midnight tonight. My prediction is that more customers will get out of their outdated comfort zones, get savvy conducting their business online, and save their stamps. Those technology-averse folks are going to be in for a treat. They'll quickly discover just how easy and convenient it is to pay one's bills by phone or online.


 [The Province](#): The union wants "job security" for the workers, but by threatening to strike they are driving more of the direct mailers to using alternative means, be it the Internet or newspapers, thus reducing the number of clients for Canada Post.


 [News1130](#): Email and instant messaging have reduced the reliance on Canada Post for many Canadians, but charities still have a lot to be concerned about. The Canadian National Institute for the Blind sends out two million titles through the mail each year from its library of specially formatted books and audio tapes. CNIB President John Rafferty says about 70 per cent of CNIB's donations arrive through the mail.


 [Windsor Star](#): The City of Windsor has stopped using Canada Post to send out Ontario Works cheques, due to the possibility of a postal worker strike. The city issued a news release advising social assistance recipients they'll have to pick up their cheques in person for cheques printed from Wednesday on.


 [CBC News](#): Nova Scotia's provincial government says it will ensure government cheques get to their destinations in the event of a strike by the Canadian Union of Postal Workers. The union gave the required 72 hours strike notice on Monday, meaning postal workers could begin withdrawing services at midnight on Thursday. "We will make their cheques available for pick up or we will make delivery arrangements which will most often be by way of staff delivering the cheques which is not an additional cost but there will be cases, inevitably, where we'll have to do it by courier," said Finance Minister Graham Steele.

 [660News](#): The threat of a postal strike looms, but customers of a popular retail channel won't be left holding an empty bag! This week, The Shopping Channel decided to offer its customers across the country upgraded courier delivery, at no extra cost. General Manager Ted Starkman says clients can continue to shop with confidence, even in the face of an uncertain delivery situation. They just need to request "Purolator Ground" when they checkout online or when talking live to a customer service representative.


 [680News](#): Canada Post and the Canadian Union of Postal Workers were unable to find a middle ground when they met Wednesday as they continued negotiations to avoid a strike. In a release Wednesday night, CUPW said Canada Post had not responded to any of their new positions "except to say no." See also [The Independent](#) and [Canadian Business](#).


 [Hellmail](#): The Global Address Data Association this week published a paper by the Executive Director - inspired by discussions at the UPU concerning the new strategy and work program agenda currently being debated in UPU meetings. The strategy and work program will be discussed by UPU Member States through the next year at meetings in Bern, Switzerland and in regional meetings throughout the world. It will be adopted at the Doha Congress in September 2012 and will determine what projects are undertaken by the UPU during the subsequent four year period.


 [Financial Post](#): With the apparent breakdown in negotiations between the Canadian Union of Postal Workers (CUPW) and Canada Post, a strike starting Friday seems unavoidable. Such a prospect is worrisome, as it would halt postal services and affect many citizens and businesses. The ongoing negotiations are made arduous by the many challenges facing Canada Post. In the last 15 years, it has seen the number of mail items it handles per Canadian decline by nearly 20% with the advent of electronic substitutes. Moreover, there is a productivity problem at Canada Post that must be solved by efforts from both management and the union.

 [Reuters](#): United Parcel Service sees the economy outlook "a little muddier" than expected early this year, but growth should "chug along" at a slightly faster pace in the second half of the year. Fuel prices are a wild card but have yet to reach levels that drain demand for UPS's higher-cost express products

June 1, 2011


 [TimesWireService](#): In protest against the postal department's decision to shut down several post offices in the country, postal and RMS employees will go on an indefinite strike from June 5, P.V Rajendhran, the national vice president of All India RMS and MMS Employees Union said.


 [Post & Parcel](#): Argentinian postal company Nexo Correo is expecting its annual turnover to grow by 20% this year, thanks to its expansion of added value services and digital technology.

 **Toronto Star:** With the clock ticking down to a midnight strike deadline, Canada Post president and CEO Deepak Chopra met with postal union president Denis Lemelin Wednesday in hopes of breaking a logjam. The meeting was called by federal Labour Minister Lisa Raitt, who met with both sides separately the day before. See also [National Post](#).

 *At the Postal Regulatory Commission:*

- **CP2009-61** Order No. 740 - Order Concerning Change in Prices for Parcel Select & Parcel Return Service Contract 2 Negotiated Service Agreement http://www.prc.gov/docs/73/73124/Order_No_740.doc
http://www.prc.gov/docs/73/73124/Order_No_740.pdf
- **MC2011-5** United States Postal Service Combined Mailings of Standard Mail and Periodicals Cost Report <http://www.prc.gov/docs/73/73123/USPS.Rep.June1.pdf>


 **DC Velocity:** FedEx Corp. appears to be generating a handsome revenue stream from its decision last September to change the way it calculates shipping charges for low-density packages. Last fall, FedEx and rival UPS Inc. announced a change in their dimensional weight (dim weight) pricing formula that reduced the "volumetric divisor" mechanism used to calculate the amount of space allocated to shipments hauled by each carrier. The result was that shippers would be permitted less cubic capacity for the same shipment weight at current prices. Shippers whose packages fell outside the new physical parameters imposed by FedEx and UPS faced three choices: shrink their shipment's cubic dimensions, find a way to increase the shipment's density, or swallow near 20-percent rate hikes on domestic and international services.


 **Denver Post:** The U.S. Postal Service is proposing to close 11 post offices in Colorado and nine in Wyoming in an effort to reduce the huge deficit the agency is facing. Read more: [Postal Service considers closing 11 post offices in Colorado and nine in Wyoming.](#)


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


- USPS Says it Will Pursue Free FCM 2nd Ounce
- Mobile Barcode Promotion Questions Continue
- MTAC Web Site Changes
- July 22 Marks Date USPS Should Publish Jan 2012 Price Change Specs
- National CAT/CETs
- USPS to Provide Free Package Tracking
- Move Update Changes to be Re- Published for Additional Comment
- SuiteLink Changes
- USPS Explores Next Generation Flats Sequencing
- USPS Works to Improve Re- Directions Process
- USPS Airs IMb Full-Service ACS Charges Proposal
- USPS Continues Move to Centralized MDA Support
- USPS Moves Closer to Folded Self-Mailer Proposal
- PostalOne Upcoming Release Notes
- Seamless Acceptance Proof of Concept Contemplated
- USPS Continues to Focus on Customer-Facing IT Improvements
- USPS Shares 2010 UAA Study Data
- USPS Pursues ACS Process Improvements
- 2011 ZIP Code Realignments
- CASS/MASS Update
- Migration From RIBBS to EPF

[EdNote: So, let me get this straight. You're reading this stuff and you're NOT a PostCom member? Get with it and get the full story on every story. [Join PostCom today!](#)]


 [PRNewswire](#): Need stamps but don't want to leave the house? Go to usps.com/shop. Need to send a package but can't leave the office? Go to usps.com/shipping. Need to track a package or find a ZIP Code while sitting in a meeting? Use the Postal Service's mobile applications. The Postal Service is providing access to postal products and services when and where its customers want them and the "electronic post office" is open 24/7 to meet that need. "We know our customers are busy people and they need simple solutions to conduct their postal business," said Kelly Sigmon, vice president, Channel Access. "Whether it's online or on smart phones, we're creating easy, more convenient access to postal products and services when and where our customers want them." The Postal Service launched its first mobile application for iPhone®, iPod touch® and iPad® devices in December 2009. Since then, it has consistently been listed as one of the top 10 free business apps in the App Store(SM). Using this application, customers can find post offices, look up ZIP Codes, calculate postage prices and track packages. This application has been downloaded by nearly 985,000 customers and more than 50,400 use it at least once a week.


 [PRNewswire](#): DST Mailing Services recently extended its comprehensive suite of Presort Services to businesses in the Greater Sacramento Region as well as other nearby counties. Each year, DST Mailing Services (an affiliate of DST Output) presorts more than 300 million pieces of mail for some of the nation's most prominent companies at its facilities in the Sacramento foothills.


 [Diamond World](#): Diamond Dealers Club of New York has invited Guy J. Cottrell, Chief Postal Inspector of the U.S. Postal Inspection Service, to visit the JCK Las Vegas Show in Las Vegas on June 5, which is part of its new venture of opening a Concierge Shipping Service in New York. The service is being launched in partnership with Partnering with TransGuardian, a USPS Business Alliance Partner, and a provider of online multi-carrier software that insures USPS, FedEx, and UPS packages for up to \$150,000 through Wells Fargo Insurance Services.


 [Masthead](#): An organization representing businesses that rely on the postal service has called for an emergency debate in parliament, while publishers scramble to get their magazines out the door before an impending strike Thursday at midnight.


 [Canada NewsWire](#): The Canadian Marketing Association (CMA) today issued the following statement in response to contract negotiations under way between Canada Post and the Canadian Union of Postal Workers and the threat of strike action by CUPW.

 [CJME](#): A possible strike by Canada Post workers Thursday has some people concerned that a lack of mail service would hurt their bottom line. Marilyn Braun-Pollon with the Canadian Federation of Independent Business (CFIB) says small businesses are concerned about losing money.


 [Irish Times](#): An Post is delivering just 85 per cent of mail the day after it is posted and continues not to meet its own target of 94 per cent, a report has found. The Commission for Communications Regulation (ComReg) today published the results of its year-to-date and quarterly independent report on the postal authority's performance.


 [Toronto Star](#): In a small storefront in downtown Toronto, at a time when unions are under attack as both venal and irrelevant, something unusual is happening. A union is being organized. And not just any union. What's going on here is an attempt to organize bike couriers, a group of workers notorious for their up-yours attitude.


 [Frederick News Post](#): The U.S. Postal Service is standing behind a decision by Frederick County postal employees who asked volunteers intent on circulating a petition to leave the Middletown and Monrovia post offices over the weekend.


 [Congressional Research Service](#): *U.S. Postal Service Workforce Size and Employment Categories, 1990-2010*. "This report provides data from the past 20 years on the size of the U.S. Postal Service's (USPS's) workforce, including the number of persons employed by USPS by employment categories and the number of persons employed by USPS under time-limited contracts. It also analyzes the most salient aspects of these employment data. USPS employed 671,687 persons as of September 30, 2010 (FY2010). USPS's workforce size has dropped by 171,576 employees (20.3%) in the past 20 years, and USPS had 40,395 (6.0%) fewer employees at the end of FY2010 than it did at the end of FY2009. Since 1990, the career/non-career composition of the USPS's workforce


has also changed. The number of career employees has declined 23.2%, and the number of non-career employees has increased 6.3%. Facing financial problems, the USPS recently has instituted a hiring freeze, frozen the pay rate of managers, and offered some employees early retirement options. In FY2010, USPS operated with its smallest workforce in at least 20 years."


 [DM News](#): The US Postal Service literally guaranteed the effectiveness of integrating direct mail into marketing campaigns when it launched a postage-back assurance program in mid-May to attract the business of large marketers. The USPS is conducting the "Mail Works Guarantee" to convert large advertisers into direct mail marketers and to counter the large yearly drops it is seeing in First Class mail. "Direct mail is the most effective and measurable way to get a message to consumers, and we know it won't automatically go to a spam folder," said Susan Plonkey, VP of sales at the USPS. "Of course, a direct mail piece is only as good as its offer and targeting."


 [Hindu Business Line](#): The Department of Posts (DoP) has launched the mobile-based money transfer service by Post Offices for quicker transfer of money from one city to another.


 [PRNewswire](#): Parascript, LLC, the image analysis and pattern recognition technology provider, today announced that it has been awarded a multi-million dollar contract to automate the processing of parcels and bundled mail for The United States Postal Service (USPS) under its Automated Parcel Bundle Sorter (APBS) Optical Character Recognition (OCR) program.


 [Grand Rapids Press](#): Say what you want about the auto industry bailouts, but at least taxpayer help came with the expectation of corporate change. Now General Motors is creating jobs, Chrysler has paid back its \$7.6 billion government loan, and both are on a path to better things — provided management and unions work together to remain lean and profitable. That should be the model for all government aid. Make sure the help isn't wasted and, where needed, is used to drive reforms. So it ought to be with the U.S. Postal Service.


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


 Institutional investors called in vain for a split-up of Deutsche Post. CEO Frank Appel clearly rejected such demands in the course of the general meeting last Wednesday.


 The shareholders of Dutch TNT approved the splitting up of the concern. Last Wednesday 99.7% of the shareholders voted in favour of the measure.


 The British government took initial concrete steps towards the privatisation of Royal Mail. The gigantic pension fund deficit amounting to approximately 10bn euros is to be booked into the government's budget by March 2012.


 New Zealand Post will fail to meet the profit target for the business year 2010/2011.


 French La Poste was again sentenced to pay a compensation for the ongoing abuse of fixed-term contracts.


 Royal Mail's services will probably be hit by industrial action again.


 Portuguese CTT Correios could only record a decline in revenues and earnings again in 2010. Last week the company posted a 3.5% decrease in turnover to 794m euros. The operating result (62m euros, -15.9%) and net profit (56.3m euros, -6.1%) were both lower than last year.


 Deutsche Post is becoming a service provider in the so called e-publishing sector. The main objective is to offer small publishers an automated and cheap porting of their publications to tablet PCs like the iPad.


 Complaints from subcontractors and postal agency operators about Australia Post are increasing. Last week broadcaster »ABC« (24.05) reported that independent subcontractors who are working for Australia Post's courier division said they were bullied and worked for 'sweatshop' rates.


 The Dutch regulatory authority Opta finally failed with its attempt to force TNT Post to reveal the costs for each of the services forming the universal service obligation.

 The Russian Post closed the second consecutive business year with a profit. For 2010 Pochta Rossii will post a net profit of 12.2m euros (+60%) on a 10% increase in turnover (2.6bn euros). But the company could plunge into the red this year again. However, the management still clings to its privatisation plans.

 DPD is testing parcel deliveries by cargo bikes in Hamburg. A DPD spokesman confirmed that the roadworthiness of three different brands is currently put to the test. The bikes which are used in the city centre can load up to 50 parcels. ’

 The Estonian competition authority stopped the take over of AS Express Post, the country's largest private competitor, by Eesti Post for now.

 After French La Poste launched its mobile phone services on May 23 (CEPNews 04/11), additional telecom services are to follow. According to unanimous media reports La Poste plans to sell internet access via its nationwide branch network from 2012 on.

 Swiss Post is currently testing a new service especially for older customers and their relatives. Since the beginning of April, customers in two cities can order the 'Personal Delivery' service for 4.90 Swiss francs, around 4 euros, per day. The postman will personally visit the addressee and will ask about the well-being on behalf of the relatives as part of this service.



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 NOTICES


Post Office Closings ,


31645–31646 [2011–13477] [\[TEXT\]](#) [\[PDF\]](#)

 [Canada NewsWire](#): The looming postal strike by the Canadian Union of Postal Workers poses a significant financial threat to Canada's charities, including CNIB, which provides direct services to Canadians who are blind and partially sighted.


 [Dead Tree Edition](#): When a respected magazine's cover story cited a statistic, I used to assume the number had at least some connection to reality. Not any more -- not after reading Bloomberg Businessweek's recent piece on the U.S. Postal Service.

 [CBC News](#): A spokesman for Canada Post said there's still enough time to reach a deal with its postal workers, who are threatening to strike at midnight Thursday.

 [Federal Times](#): More than 2,400 U.S. Postal Service management-level employees could lose their jobs or end up in new positions under a reduction in force set to conclude by early September. The RIF is part of a nationwide reorganization aimed at streamlining the ranks of postmasters, front-line supervisors and administrators by 7,500 positions. Already, some 2,000 employees have signed up for \$20,000 buyouts requiring them to leave by Tuesday. But since the downsizing was announced in January, postal managers had said that layoffs could also be needed for displaced staff unable to find new assignments within the agency. Under notices mailed out Friday, 2,429 employees were told that they could lose their jobs, face demotion or have to take other jobs at the same grade by the week ending Sept. 10.

 [MSN Money](#): Here are the biggest nails in the Postal Service's coffin: (1) Its union is too strong. The USPS cannot lay off employees due to union contracts. And in the next four years, union members will get a 3.5% raise and seven uncapped cost-of-living increases. That's a shocking commitment. (2) It spends too much on salaries and

benefits. About 80% of its budget goes to salaries and benefits. Can you even imagine that? Compare that with the 43% spent at FedEx and the 61% spent by UPS. (3) It hasn't raised prices enough. It costs the same to mail a letter to your neighbor as it does to deliver it by snowmobile to the Alaskan wilderness. The postal service should charge higher prices for longer travel distances. (4) It relies too much on junk and first-class mail. Total mail volume fell 20% from 2006 to 2010. The USPS relies too much on first-class mail for money, and when mail volume falls, its revenue falls as well. (5) It has too many post offices. Most of the post offices around the country lose money. What if the USPS took a page from Starbucks (SBUX) playbook and opened mini post offices at supermarkets, gas stations and retailers like Target (TGT)? Still convenient, but lower overhead. Even better: Nonunion workers can staff those offices. (6) It hasn't embraced the Internet. E-mail has been a killer. But maybe the USPS has taken the wrong approach to the Internet. In other countries, Leonard reports, the postal service lets people pay bills online, and even scans mail and sends it to customers online.

 [National Association of Major Mail Users](#): NAMMU President, Kathleen Rowe, today called for an emergency debate in Parliament to focus on the already significant economic impact of a threatened disruption of postal services.