



Association for Postal Commerce


"Representing those who use or support the use of mail for Business Communication and Commerce"


"You will be able to enjoy only those postal rights you believe are worth defending."


1800 Diagonal Rd., Ste 320 * Alexandria, VA 22314-2862 * Ph.: +1 703 524 0096 * Fax: +1 703 997 2414

Postal News for August 2014

August 31, 2014

 Herald Sun: Online shoppers can put their delivery woes on ice, as 7-Eleven and Australia Post launch 24/7 delivery lockers for residents to pick up a Slurpee and their packages at the same time. Australia Post has so far launched parcel lockers at 181 locations around Australia, with four in Boroondara — two in Hawthorn, one in Deepdene and another in Kew. Almost a third of parcel locker locations are outside 7-Eleven stores. The lockers provide online shoppers more flexibility around delivery times, allowing them to collect packages outside usual business hours.


 Biztech Africa: The BotswanaPost and its counterpart in Zimbabwe, the ZimPost have announced the introduction of the first inter-postal money transfer corridor. BotswanaPost aims to fulfill its vision of "servicing the entire region," according to Lebogang Bok head of Communications at BotswanaPost.


 Globes: A severe crisis in the Israel Postal Company is threatening the company's future. Sources inform "Globes" that the company board of directors was summoned this evening to discuss the developments, following the Government Companies Authority's announcement that given the crisis with the employees, it was in effect halting negotiations with them, and was asking the board of directors to discuss the consequences of this.





Dead Tree Edition: Most of the Postal Service's ballooning costs for workers' compensation result from injuries that are at least eight years old, according to a postal official. "A majority of the workers' compensation costs are attributed to employees who were injured prior to 2008.


August 30, 2014

 Opposing Views: A frightening discovery was made at the international mail facility at San Francisco International Airport last month that will make you say "nope!" Customs officials say they found 20 live millipedes inside a box marked "toy car model," CBS San Francisco reports. The large package from Germany had been routed through an x-ray machine and agents realized that it did not contain a toy after all.

 Portland Press Herald: A U.S. Postal Service worker who was in charge at the Unity Post Office until last year has filed a lawsuit accusing her employer of retaliation after she demanded that they take a death threat allegedly made by a co-worker more seriously.


 The Pueblo Chieftain: Colorado's delegation to the U.S. Senate warned the U.S. Postal Service this week that its consolidation of processing centers could impact elections. Democrats Michael Bennet and Mark Udall joined three colleagues from Oregon and California in the letter.


 Tech Times: Reports on Google's two-year-old drone project first surfaced on The Atlantic, which says that Google recently launched test flights for a self-flying vehicle that delivered a package of dog food to farmers in Warwick, Australia, where drone testing laws are not as stringent as those in the United States. Dubbed Project Wing, the project was conceived out of Google X, the Internet company's semi-top-secret laboratory for developing its most innovative projects, including Google Glass and Google's self-driving cars, which is up for testing in public roads in California.

 **Office of the Inspector General: *Monitoring Post Office Operational Risk in the Eastern Area -- What the OIG Found*** The Eastern Area is effectively monitoring 12 of the 13 operational risk elements we reviewed. However, we found area and district managers do not monitor refunds. Area and district personnel are not monitoring refunds because they are not required to do so under current Postal Service policy, they have limited resources, and they consider the financial risk from errors to be low. Without refund monitoring, there is an increased opportunity for refund fraud against the Postal Service. Specifically, the Postal Service issues refunds when labels or meter strips are damaged or printed in error and voided. Accordingly, a clerk might affix labels to mail in lieu of stamps and then process a refund to obtain funds.

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

- **Full-Service Intelligent Mail Open Line Calls** A Full-Service Intelligent Mail "Open Line" is scheduled for the first Wednesday of every month from 2 p.m. to 3 p.m. EST. **The topic for this month's webinar will be MIDs/CRIDs.** USPS® representatives will be online to answer any questions related to Full-Service Intelligent Mail. To join the call, click on the link no more than 15 minutes before the start of the call. Log on: <https://uspsmeetings.webex.com/uspsmeetings/j.php?ED=235186642&UID=0&RT=MIMxMQ%3D%3D> Audio: (855) 860-7461 Conference ID: 747 493 349
- **PostalOne!® Release 38.0.0 Mailer Webinars** – Webinars will be held for mailers to learn about the PostalOne!® Release 38.0 updates to functionality, as well as pricing and postage statement changes. The schedule and topic for the next webinar is shown below. Go to RIBBS/Intelligent Mail Services/Education for additional webinar information, including links to recordings of previous webinars. PostalOne! Release 38.0.0 eInduction – for mailers who participate in eInduction, this webinar will cover upcoming changes with Release 38.0.0. When: Wednesday, September 3, 2014, from 3 p.m. to 4 p.m. EDT Log on: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=740374710> Meeting number: 740 374 710

 Wall Street Journal: Constrained American consumers are threatening to weigh on U.S. growth just after the economy regained its footing following a pullback early in the year. Hamstrung by weak income gains, consumers are struggling to step up spending. That is providing perhaps the biggest challenge to a second-half economic breakout that already is at risk due to global unrest and persistent slack in the labor market. Household spending declined a seasonally adjusted 0.1% in July from a month earlier, the Commerce Department said Friday. It was the first time spending fell in a month since January. Meanwhile, personal income, reflecting income from wages, investment, and government aid, rose 0.2% in July—the smallest monthly increase this year.

 ABC News Radio: Google, Amazon and Domino's Pizza are big fans. The FAA is feeling it out. But one person clearly not a part of "Team Drone" is Matty Rose, a 70-year-old Vietnam veteran and retired mail carrier. Google announced Wednesday that it tested drone delivery of items like dog treats, vaccines and candy to farmers in Australia. Though companies like the search giant are figuring out the legalities of FAA rules regarding commercial drone use, the realities of food and product deliveries by small aircraft appear to be closer than ever before. Though no companies have declared they will replace mail delivery, Rose says you can count him out of the fan club if they ever decide to do so when it comes to packages and letters. "I don't think letter carriers can be replaced. Everything else can be automated or bar-coded to every state for the same price," he said. "But somebody has to deliver it."

August 29, 2014


INDUSTRYALERT


The IMpb webinar scheduled for September 9 at 10 a.m. is being postponed due to PCC events taking place during the week of September 8. A new time and date will be forwarded to you shortly.





At the Postal Regulatory Commission:


- On-Roll and Paid Employee Statistics (ORPES), July and August, FY 2014
http://www.prc.gov/docs/90/90289/Letter%20ORPES%20July-August_20140829154345.pdf
<http://www.prc.gov/docs/90/90289/ORPESAug2014.xlsx>
<http://www.prc.gov/docs/90/90289/ORPESJuly14.xlsx>
- National Payroll Hours Summary Report, Pay Period 18, FY 2014
http://www.prc.gov/docs/90/90288/Letter%20NPH%20PP18%20-%20FY%20201_20140829154451.pdf
http://www.prc.gov/docs/90/90288/NationalPayrollSummary_PP18_2014.xlsx

 **Blackburn News:** The head of the union local that represents 150 postal carriers in the region hopes residents write Essex MP Jeff Watson a lot of letters. Watson is the parliamentary secretary to Transport Minister Lisa Raitt, the minister in charge of Canada Post, and with the agency posting a \$67-million net profit in the second quarter, the Canadian Union of Postal Workers thinks it's time to take another look at postal banking. President of CUP-W Local 500 Susan Markham believes allowing Canadians who don't have enough income to get a bank account to do their banking through Canada Post, could reverse the agency's financial difficulties and save services. She's frustrated the federal government isn't taking the proposal seriously.

 **Stuff:** New Zealand Post operating profits were up 11 per cent to \$124m, as a result of lower costs, a growing parcels and logistics business and a steady result from Kiwibank. The letters and parcels business turned a profit, too, after heavy cost-cutting and job layoffs. NZ Post is breaking even on letters alone, but sees that as a good result compared with the huge losses in other postal services. The letters and parcels business combined is now making a \$10m profit, a big reversal from the \$38m loss in the previous year. That profit excludes some overhead charges accounting for the balance of the total \$107m profit. In the past year NZ Post has reduced costs by about \$118m.


 **Otago Daily Times:** Kiwibank substantially boosted its parent New Zealand Post's profit for the year ended June, with figures supplied to the market showing NZ Post would have barely broken even without the bank's contribution.


 **The Telegram:** The Canada Post Group of Cos. reported Wednesday a net profit of \$67 million in the second quarter, boosted by growth in its parcel delivery business and lower pension costs. It also said it would look to eliminate 6,000 to 8,000 positions over the same time period, mainly through attrition. Canada Post said it continues to stay on course with its plan to cut down operating costs. In February, it installed community mailboxes for 100,000 addresses in 11 communities across Canada. A total of 1.17 million conversions will be completed by 2015. It also raised prices for letter mail to better reflect inflation and operating costs.


 **CNBC:** A report in Government Executive this morning notes that while USPS spends about \$39 million a year to rent 10,000 trailers—the cargo bodies of its trucks—it also leased 35 trailers in fiscal years 2011 and 2012 to a distribution center in New Jersey. "There was one problem with these particular trailers, however: The Postal Service had no idea where they were, according to the agency's inspector general, or if it ever even received them from the leasing company."





Attention Postal One! Users: Please be advised that the Facility Access and Shipment Tracking (FAST) system is now available to receive and process Mail.XML 10.0 messages. The Mail.XML 10.0 message types include creating and updating appointments. Note that FAST continues to process messages supported in Mail.XML 12.0A, 12.0B, and 14.0.


 YouTube: Each day the United States Postal Service processes hundreds of millions of pieces of mail and delivers to over 150 million addresses. At the center of this bustling postal network are more than a hundred Processing and Distribution Centers spread across the United States. Follow these letters, catalogs, magazines, and parcels as they make their way through the Postal delivery network. *Worth a look-see.*


 The Hill: The nation's economy grew more quickly than first estimated from April to June, expanding by 4.2 percent in the second quarter. A new report released Thursday by the Commerce Department says the economy surpassed the already robust growth of 4 percent that was initially estimated in July. The revised number exceeds the expectations of economists, who had predicted growth would remain near 4 percent. The second estimate seems to confirm that the U.S. economy experienced a strong comeback in the second quarter of the year.

 Austin Business Journal: Austin's Scan Mailboxes Solutions LLC began offering a service in April that diverts postal deliveries and automates the scanning process of individual pieces of mail. Customers receive emailed images of the mail and then select what to do with it. CEO Ken Brown III said the service has proven popular with customers who travel frequently, operate home offices needing an extra level of security or work in paperless offices.

 Daily Finance: What's the real story with the United States Postal Service? Is business booming, or is the Post Office going bust? The Good News ... With revenues up 2 percent, the Post Office closed the gap between the money it brings in and its cost of doing business. The Bad ... The problem, of course, is that the 7.7 percent increase in package deliveries comes with some serious implications for Post Office profitability. As The New York Times recently observed, "a large portion of the increased revenue in package delivery comes from contracts with FedEx and United Parcel Service." And unfortunately for the Post Office's fiscal health, delivering packages on behalf of FedEx (FDX) and UPS (UPS) may not be the best way for it to make money.

 *From the Federal Register: Postal Service NOTICES Privacy Act; Systems of Records , 51627–51628 [2014–20627] [TEXT]*

 New Zimbabwe: Zimbabwe's postal agency, Zimpost, has said it has revamped its operations and diversified its products to beat the current harsh macroeconomic environment. The company's head of retail services, Neil Moyo, said due to rapid technological advances, the parastatal which used to focus on mail delivery services had now shifted to other services such as money transfers and rural mobile communication centres.

 Federal Times: Even as some lawmakers push to limit Postal Service cost-cutting measures, the agency still plans to reduce its workforce by up to 15,000 employees and close up to 82 processing centers. The agency estimates that it could save \$750 million annually from the planned cuts, and said it had already saved \$865 million from closing 141 mail processing facilities in 2012 and 2013. The Postal Service believes the best way to position the agency for the future is through comprehensive reform legislation, according to Licata, but will continue to cut costs where it can. "The Postal Service is disappointed by the efforts to block our ongoing network rationalization. It would be unfortunate if such action were to impede the financial progress we have made," she said. But comprehensive reform legislation has stalled in Congress, with lawmakers unable to agree on what form the legislation should take – if its needed at all. But lawmaker and union officials point to recent improvements in the agency's financial reports that show operating profits before prefunding requirements - \$1 billion so far in fiscal 2014. They argue the only issue that hurts the Postal Service is the need to prefund retiree health benefits, and there is no need for additional legislation beyond reforming that requirement.

August 28, 2014

 ***PostCom Members !! The latest issue of the PostCom Bulletin is available online.*** 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.




At the Postal Regulatory Commission:

- **RM2013-5 Order 2173 - Order Adopting Final Rules for Market Tests of Experimental Products**
<http://www.prc.gov/docs/90/90282/Order%20No.%202173.docx>
<http://www.prc.gov/docs/90/90282/Order No. 2173.pdf>

"Today the Postal Regulatory Commission issued final regulations that establish new procedures concerning requests from the Postal Service to conduct market tests of experimental products. The regulations balance the Commission's oversight authority over market tests with the Postal Service's need for flexibility to test new product ideas. The regulations also reflect the lessons learned from past market tests. The new rules provide increased clarity for the Postal Service, mailers, and the public regarding how such market tests are to be conducted and evaluated under the law. The rules offer the Postal Service the flexibility to conduct market tests of experimental products and to gain valuable experience from market tests, but also include safeguards to avoid disruptions to the commercial marketplace. The rules also discuss the elements the Postal Service must include in a market test proposal, the Commission's review process, the revenue and time limitations, the data to be collected from a market test, and the mechanisms by which the Postal Service can seek to change market tests or transition experimental products to permanent products. To date, the Commission has approved nine requests filed by the Postal Service to conduct market tests. At the Postal Service's request, the Commission also has granted extensions of four market tests, authorized two exemptions from the revenue limitation, and granted three requests to make experimental products permanent. Market Tests previously evaluated by the Commission are listed here. The Commission's Order is available at www.prc.gov under Docket No. RM2013-5. The regulations will take effect 30 days after publication in the Federal Register."





PostCom Members!! The latest issue of PostCom's PostOps Update has been posted on this site. *If you're not yet a PostCom member -- Boy, are you missin' sumptin' good.*

 Fedweek: Comprehensive postal reform legislation appears to be off the table again this year, with half of the Senate calling for a one-year delay to USPS plans to proceed with further consolidations, including the elimination of about 15,000 jobs in 2015 in order to give it more time to work out reforms. Some of the Sens., overwhelmingly Democrats, say the delay would give them a chance to enact postal reform legislation in 2015.




Office of the Inspector General: Delivery Unit Optimization Process -- ***What the OIG Found*** The revised DUO guidelines were not adequate for processing DUO proposals with projected financial losses. Also, management did not always comply with the guidelines. Specifically, in fiscal year 2013, management approved 41 consolidations with projected financial losses of \$321,550. According to management, there may be valid business reasons to approve a DUO consolidation with a projected financial loss; however, the Postal Service did not document these reasons because the guidelines did not require it to do so. As a result, management did not fully support a business case for implementing 41 of the DUO consolidations. Further, eight DUO proposals lacked sufficient support for \$584,797 of savings reflected on the DUO worksheets and some DUO before and after cost studies were not performed as required. These shortcomings were due to insufficient management oversight and management's belief that they needed data from a longer time period to adequately assess the consolidation. We could not validate projected savings or losses for the studies that were not performed. Consequently, we estimate questioned costs of over \$906,000 because post-implementation studies were not performed.


 Daily Independent: The Post Master General of the Federation, Mallam Ibrahim Mori Baba, has said that the Nigeria Postal Services (NIPOST) is poised to generate about 3,000 new jobs for Nigerian graduates before the end of the year.


 Orange County Register: Various studies have shown that Postal Service employees earn 20 percent to 30 percent more than their private-sector counterparts. This is on top of benefits that exceed not only those in the private sector, but even those for other federal workers. To be sure, relieving the Postal Service of rules that tie its hands and drive up its costs would be a step in the right direction. An even better reform would be to relieve it of its monopoly over first-class mail and allow competition to determine the best ways of delivering the mail.


 *From the Federal Register: Postal Regulatory Commission NOTICES* Statutory Public Service or Public Activity Reporting , 51379–51380 [2014–20431] [TEXT] [PDF]


"In its most recent Annual Report, the Commission stated that in 2014 it would review the scope of other public services or activities under section 3651(b)(1)(C).¹ For FY 2013, that estimate included only the costs of delivering mail six days a week instead of five days, and revenue lost from unzoned First-Class Mail and Library/Media rates Id. at 30. The Commission noted, however, that this approach may be too narrow, and that a more comprehensive interpretation of section 3651(b)(1)(C) could also include the estimated net cost of activities such as the Inspection Service or the Postal Service Office of Inspector General, as well as services such as the addressing system or emergency response."

 Reuters: A U.S. federal appeals court on Wednesday concluded that FedEx Ground drivers in California and Oregon are employees and not independent contractors, and can therefore pursue claims for alleged unpaid wages and benefits under state and federal labor laws. The decision by a three-judge panel of the 9th U.S. Circuit Court of Appeals, sitting in Portland, Oregon, reversed a lower court's ruling and would allow the drivers working for FedEx Ground, a subsidiary of FedEx Corp, to move forward with their lawsuits in federal court.

 MyBroadband.za: The appointment of Thuthukile Xolile Nomonde Zuma, the daughter of President Jacob Zuma, as the chief of staff in the Department of Telecommunications and Postal Services raised eyebrows in South Africa recently. At only 25 years of age Thuthukile Zuma became the youngest chief of staff of a minister's office ever appointed in South Africa.

 South China Morning Post: The leader of the Hongkong Post employees' union openly criticised the postal service for refusing to mail tens of thousands of leaflets on civil disobedience produced by democracy activists. Union of Hongkong Post Office Employees chairman Ip Kam-fu accused Hongkong Post of playing politics by refusing to deliver the fliers from the student-led pro-democracy group Scholarism. When it denied Scholarism's application to mail the fliers, it told Scholarism that the contents breached its ban on "illegal, obscene, immoral, indecent, offensive or libellous writing".

 GlobalNews: The Canada Post Group of Companies reported Wednesday a net profit of \$67 million in the second quarter, boosted by growth in its parcel delivery business and lower pension costs. The result was up from a loss of \$50 million in the same period a year ago as revenue for the group, which includes the postal service, the Purolator courier service and other businesses, totalled \$2.007 billion for the 13 weeks ended June 28, up from \$1.862 billion a year ago. All that prompted a call from the union representing many of its workers to find alternatives to cutting services. See also The Globe and Mail.

 New Haven Register: Connecticut Senators Richard Blumenthal and Chris Murphy are urging Postmaster General Patrick Donahoe to agree to a one-year moratorium on further consolidations of the U.S. Postal Service mail processing facilities that are scheduled to take place sometime early next year. Blumenthal and Murphy announced their request to Donahoe during a mid-day press conference outside the USPS Southern Connecticut Distribution and Processing Center on Research Drive. The two lawmakers were joined by about 50 postal workers who chanted "The U.S. Mail is not for sale."



Associated Press: The amount of Colorado marijuana being seized en route to other states through the U.S. mail has more than quadrupled since 2010 and was destined for more states than before, according to a new report by a federally funded drug task force. Postal inspectors seized more than 493 pounds of pot from packages in 2013, up from 57 pounds in 2010, the year after medical marijuana dispensaries proliferated in Colorado, according to the figures released this month by the Rocky Mountain High Intensity Drug Trafficking Area.


August 27, 2014


INDUSTRYALERT IMpb impacts on Extra Services September 9 at 10 a.m. (EDT) --


This webinar provides an overview of the features, benefits and requirements for Extra Services relating to IMpb. We will review the benefits and requirements unique to IMpb for mailers using Extra Services. Attendee Information: Event number: 992 168 882 Event address for attendees: <https://usps.webex.com/usps/onstage/g.php?d=992168882&t=a> Dial-in: (888) 890-1547 Conference ID: 7017381


Attention Postal One! Users:


- **PostalOne! Release 38.0.0 and Release 38.1.0 Deployment to Test Environment for Mailers (TEM)** — occurred on Monday, August 25, 2014. There is also mandatory Mail.dat® client download for TEM.

 Wall Street Journal: Former Federal Reserve Chairman Ben Bernanke, a prominent student of the Great Depression, contends that the 2008 financial crisis was actually worse than its 1930s counterpart. Former Treasury Secretary Timothy Geithner is quoted in the document offering a similarly apocalyptic assessment. From Sept. 6 through Sept. 22, the economy was essentially "in free fall," he said.

 The Des Moines Register: Congress must pass legislation that will allow the U.S. Postal Service to survive by continuing six-day, door-to-door delivery and eliminating the mandated pre-funding of future retiree health benefits at a cost of \$5.5 billion a year. The USPS is solely funded by postage and product sales. There's no taxpayer dollars. The USPS has seen rising operational profits. The sole cause of its red ink is the unfair pre-funding mandate. Reducing delivery service to five days would hurt consumers, reduce postal revenue and stunt future growth.


 The Week: The United States Postal Service just reported that it lost \$2 billion in the last three months, surprising no one. The news has once again prompted calls for the federal government's most omnipresent institution to come up with creative solutions to stay solvent. Chief among them: allowing the Postal Service to provide basic financial services like small loans, debit cards, and check-cashing. To supporters of so-called postal banking, the logic is simple. The USPS has built an impressive network of 31,000 post offices, nearly two-thirds of which are in ZIP codes that have fewer than two banks. Even if it charged well below market rate for its banking services, the Postal Service could create a new source of revenue while helping the estimated 10 million "unbanked" and 24 million "underbanked" American households that do not use traditional financial institutions. The postal banking idea has gained currency in media outlets like Vox and The New Republic. The only problem? Postal banking will neither fix the Postal Service's woes nor help the millions of Americans who aren't getting the basic financial services they need.


 Xenia Gazette: *Sen. Sherrod Brown* -- In 2015, the United States Postal Service (USPS) plans to close and consolidate up to 82 mail processing facilities across the country – including ones in Akron, Dayton, Toledo and Youngstown – putting 15,000 jobs at risk. To protect these jobs and ensure that Ohioans continue to receive reliable mail service, I joined with 49 other Senators in signing a letter, urging the U.S. Senate Appropriations Committee and the Subcommittee on Financial Services and General Government to prevent all USPS closings and consolidations through Fiscal Year 2015. As our economy recovers, workers can't afford to be without a paycheck. This extension would give Congress time to pass comprehensive postal reform legislation to fund USPS operations and keep over 1,000 Ohioans in good-paying jobs.


 Yahoo! News: Even in the age of emails and Internet video chatting, there's nothing like a parcel or a letter from home for US soldiers on deployment in Afghanistan. But the mail service is winding down in parallel with the


pullout of US combat troops after 13 years of war and, as bases close, so too do the post offices. As they pull down, bases have been flattened and kit transported out of the country as the vast military infrastructure is cut back to a skeleton of its former self. About 10,000 US troops are set to remain into Afghanistan into next year. But the force will be reduced to a normal embassy protection force by the end of 2016 -- ending the days of parcels and hand-written letters being choppered across Afghanistan to eagerly awaiting US soldiers.


 **The Drum:** Royal Mail challenger brand TNT Post UK has had a regional press ad and leaflet banned after the former complained to Advertising Standards Authority (ASA) over claims it operates under the same rules and regulations as Royal Mail. Royal Mail said that the claim around TNT Post's regulations was misleading and couldn't be substantiated, because TNT was not required to deliver to every address in the UK on a next-day basis in the way Royal Mail was.

 **Parcel2Go:** The recently-privatised Royal Mail exceeded its targets for the proportion of both first and second class post items delivered on time in the quarter between 31 March and 29 June. Of first class mail items, 93.3 per cent were recorded as arriving on the next working day – against a target of 93 per cent – and 99 per cent of second class mail got to its destination within the required three working days, beating the 98.5 per cent benchmark. That shows that – given the massive amounts of both first and second class post which is handled, sorted and delivered every day – anyone using the second class service stands quite an appreciably better chance of having their items delivered inside the requisite maximum five days, if weekends are included.

 **Post & Parcel:** Spain's Correos has invested more than EUR 5m in modernising its delivery fleet, ordering more than 1,300 new vehicles. The national postal operator in Spain said last week that it has purchased 1,000 Piaggio Liberty motorcycles, 220 Renault Kangoo vans, and 136 Citroen Jumpy trucks. The Kangoo vehicles offer a 600kg payload, while the Jumpy trucks offer a payload of 1,200kg.






 **The Connexion:** La Poste has denied claims that it has only delivered letters every other day during the summer in a rural area of the Tarn department due to staff shortages. Residents of Viviers-les-Montagnes have claimed that they did not receive regular post as expected, with one saying that his daily newspaper subscription arrived every second day, regional newspaper La Dépêche du Midi reports. When he complained, he was informed: "It turns out that exceptional circumstances did not allow us to ensure the delivery of mail in your sector during this period." According to the newspaper, four of nine regular post workers in nearby Labruguière were off work at the same time, and the company had not found temporary replacements.


 **ABC10News:** The Postal Reform Act hopes to revamp the financially-strapped U.S. Postal Service, which last year posted a \$5 billion loss, but two proposals in particular are drawing negative attention. One is a proposal to stop Saturday delivery and the other would be to stop home mail delivery altogether.


 **Office of the Inspector General:** Management Alert – Backup and Recovery of Essential Data (Report Number IT-MA-14-001) -- "During the Fiscal Year (FY) 2014 Information Technology Internal Controls audit (Project Number 14BM003IT000), the U.S. Postal Service Office of Inspector General (OIG) became aware of a hardware failure that resulted in the loss of the Computer Incident Response Team (CIRT) database used to record and monitor computer incidents (Project Number 14BM003IT001). The U.S. Postal Service's Data Management Services group periodically performs off-site backups for hundreds of critical databases. However, there are other essential databases that are not classified as critical that are used for daily functions. These functions include analysis of historical data and maintaining records for compliance with existing security policy. We are issuing this alert to make the Postal Service aware of the need to modify its current backup and storage requirements to ensure that essential, but not critical, data is available. The Postal Service did not ensure all database backups were being stored on separate hardware. Specifically, the CIRT database was lost due to a hardware failure and the data was not recovered due to the absence of a backup on a separate piece of hardware. As a result, this database was not available to perform historical analyses and the Postal Service could not comply with security policy."





Postal Technology International:

	PostNord installs Crisplant sorting solution in its newest parcel terminal
	Australia Post partners with myGov to strengthen its digital mailbox
	Royal Mail study estimates that superfast broadband could boost online retail sales in the UK
	DHL awarded shipping and services contract with Lufthansa
	Parcel2Go launches partnership with InPost

 **CommerceBytes:** ShipWorks has launched version 3.9.4, which includes FedEx One Rate, FedEx Electronic Trade Documents, and several new integrations. ShipWorks is the first shipping software provider to integrate FedEx One Rate into their software platform. ShipWorks version 3.9.4 is available immediately for download, and all of these new features are available to all ShipWorks customers.

 **CommerceBytes:** I have found a problem with the shipping cost calculator for sellers printing Fedex labels on eBay. In many cases, the shipping cost estimator shows the buyer's address is a business address, but the seller later gets charged the higher residential delivery rate. When printing Fedex shipping labels through eBay, the box showing whether the buyer's address is residential is sometimes checked, but often it is not. An eBay CSR told me the buyer specifies whether their delivery address is business or residential. Fedex charges about \$3.25 more per package if the delivery is residential. Often, the buyer chooses the cheapest shipping method, which is often Parcel Post or Parcel Select. When printing a shipping label, though, eBay sometimes shows Fedex shipping as cheaper than Parcel Post, so I may choose that to save a buck or two and so the buyer gets their package sooner. If the eBay screen shows the delivery address is a business address, but it is actually a residential address, Fedex charges the residential delivery surcharge. Since I don't find out the actual Fedex shipping cost until I get my eBay seller invoice up to a month later, I don't know what the actual charge is until after the package has been delivered.

 **Brisbane Times:** The growth in e-commerce and online auction purchasing in outer urban and regional areas has been strong, in part because of the lack of traditional retail and department store options in these areas. The remuneration paid to LPOs for delivering and managing these packages is scant, often not reflecting the significant costs involved in attempting delivery and then storing goods for later collection when addressees are not home. Franchisees also feel the deal for non-postal retail goods sourced from Post is low – especially compared with what would be available from other wholesalers. The move to internet banking, and away from paying bills in LPOs, is also squeezing incomes. While Post has promised, in the shadow of the inquiry, to increase remuneration to LPOs, this is seen by many as too little, too late.

 **Daily Caller:** A government audit of the U.S. Postal Service found that it lost important data after a hardware failure erased both the data and its backup, which were both stored on the same piece of hardware. The Computer Incident Response Team database, "used to record and monitor computer incidents," was lost after an unspecified hardware failure in April of this year. The report found that "the Postal Service did not ensure all database backups were being stored on separate hardware. Specifically, the CIRT database was lost due to a hardware failure and the data was not recovered due to the absence of a backup on a separate piece of hardware." The database lost was considered essential, meaning it was "necessary for daily operations." CIRT monitors "events that threaten the integrity, availability, or confidentiality of information resources, such as suspicion or occurrence of any fraudulent activity; unauthorized disclosure, modification, misuse, or inappropriate disposal of Postal Service information."




At the Postal Regulatory Commission:

- **R2013-11 Reply Comments of MPA-the Association of Magazine Media and Alliance of Nonprofit Mailers** in Response to Order No. 2089
<http://www.prc.gov/docs/90/90269/14-08-26%20MPA-ANM%20reply%20comments.pdf>

- **R2013-11 Reply Comments of the National Association of Presort Mailers**
http://www.prc.gov/docs/90/90270/Dkt_R2013-11_NAPM_Comments.pdf
- **R2013-11 Valpak Direct Marketing Systems, Inc. and Valpak Dealers? Association, Inc. Reply Comments on Report of the United States Postal Service Regarding Surcharge Removal Plan**
<http://www.prc.gov/docs/90/90273/Valpak%20Reply%20on%20exigent%20removal%20plan.pdf>
- **R2013-11 Reply Comments of the United States Postal Service Related to Exigent Surcharge Removal Plan**
http://www.prc.gov/docs/90/90272/Reply_Cmmnts_-_Surcharge_Final.pdf
- **Postal Service Active Employee Statistical Summary (HAT Report), Pay Periods 16, 17, 18, FY 2014**
<http://www.prc.gov/docs/90/90268/HATReportpp16.pdf>
<http://www.prc.gov/docs/90/90268/HATReportpp17.pdf>
<http://www.prc.gov/docs/90/90268/HATReportpp18.pdf>
http://www.prc.gov/docs/90/90268/Letter_HAT_PP16-18_20140826142939.pdf

Attention Postal One! Users: FAST Release 28 Known Issue The Facility Access and Shipment Tracking® (FAST) System, Release v28.0 was deployed on Sunday August 24, 2014. Release 28 introduced updates to messages supported in Mail.XML 12.0A, 12.0B and 14.0A. These updates impacted specific Mail.XML messages for Appointment Create requests and the Appointment Close-Out Data Report. The updates were not made to Mail.XML 10.0 which prevented mailers from making appointments using Mail.XML 10.0. The USPS is currently working towards reverting to support Mail.XML10.0 Appointment Create requests. The recommended workaround is for mailers to schedule an Appointment using the FAST on-line system. Mailers can also contact the FAST Help Desk via eMail (FAST@usps.com) or telephone (1-877-569-6614). We are working to resolve these issues as soon as possible. Updates will be provided as they become available. The "Known Issues" list is posted on RIBBS/Major/Minor Releases. We apologize for any inconvenience. Thank you.

 **DMM Advisory: Updated Link: Mailpiece Design Analyst Help Desk Open Line Webinars for Mailers.** The U.S. Postal Service® has launched a new help desk platform to streamline Mailpiece Design Analyst (MDA) customer service. The MDA Customer Service Help Desk is a centralized process that connects customers directly with MDAs who have specialized mailpiece design expertise. The new MDA Customer Service Help Desk system will automatically route customer calls and emails to help:

- * Minimize customer handling and wait time
- * Improve the customer call-back process by expediting customer connectivity with the MDA assigned to their ticket through the telephone menu option
- * Enhance and simplify the customer experience through new telephone menu options
- * Internally monitor customer interactions and responses to measure quality

* **Get directly connected with an MDA by calling 1-855-593-6093 or send an email to MDA@usps.gov.** The MDA Customer Service Help Desk is available to all customers, internal and external, Monday through Friday between 7 a.m. and 5 p.m. Central Time, excluding holidays.

* **Open Line webinars will be hosted to provide mailers with an opportunity to ask questions or provide feedback about the new MDA Customer Service Help Desk process.** In addition, MDA Help Desk customers are invited to complete a customer survey on their MDA customer service experience. A survey link is included at the bottom of each email correspondence with an MDA or you can [Click Here](#) to tell us about your latest MDA Customer Service Help Desk experience.

* **New Link!** To join the MDA Customer Service Help Desk Open Line Call, click on the link below no more than 15 minutes before the start of the call.


* **Webinar Dates:** Monday through Friday, August 18, 2014, through September 18, 2014 Time: 1 p.m. to 2 p.m. Eastern Time Meeting Number: 743 271 900 Log On: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=740139426>


Teleconference information Provide your phone number when you join the meeting to receive a call back. Alternatively, you can call: Call-in toll-free number: 1-855-8607461 (US) Conference Code: 260 841 5474 Additional information about the MDA Customer Service Help Desk can be found at RIBBS.usps.gov under the MDA Customer **SVC Help Desk** tab.


August 26, 2014


 **Post & Parcel:** Scandinavian postal operator PostNord made a slight loss in its latest quarter, as the company implemented a new organisational structure. The parent company of Sweden Post and Post Danmark — owned


jointly by the Swedish and Danish governments — has been suffering sharp falls in its mail volumes as customers digitise their communications. And, the firm has found growth hard to come by in the parcels industry up against such intense competition.


 **Newshounds: Fox News' Cashin' In** show used the U.S. Postal Service's default on a \$5.7 billion payment recently as little more than a pretext to bang the drum of privatization again. Jonathan Hoenig got the privatization ball rolling. "We should follow Europe in this case and privatize it just like postal industries in England, in Denmark, and in Germany." "Privatize it. I love that idea," host Eric Bolling said. Michelle Fields said she "absolutely" agrees. "And this is not surprising. All you have to do is walk into a post office to understand why they are going broke. It's horrible customer service. ...Just privatize the whole thing." Read more at http://www.newshounds.us/fox_still_working_to_privatize_the_post_office_08262014#9Cmq3VkJU8JGU7p.99


 **Perth Now: A stand-off between Australia Post and residents of a Runcorn street** has resulted in 15 households not receiving mail for almost a month. Tensions sprung from an alleged incident involving a postman, a couple and their errant dog on Amaranthus St during the last week of July ending August 1, with a second confrontation reported a few weeks later. More than three weeks after the initial altercation, residents are still not receiving bills and other important correspondence, with one man threatening to seek compensation from Australia Post for any late fees he incurs.

 **Hindu Business Line: The Department of Posts will roll-out 1,000 ATMs in the next couple of years** as part of its plans to hive off its financial services business into a bank. Since 2012, the Department has put 676 Post Offices on the core banking platform. By end of March 2016, it expects to put 25,000 such offices on the platform, which entails networking of branches to enable customers to access their account from and perform transactions at any of these networked offices. Given that India Post has been handling financial services such as Post Office savings schemes, postal life insurance and money remittance services for several decades, it is likely that it will opt to become a payments bank.

 **Office of the Inspector General: Big Data, Big Questions -- Data is vital to our work as an OIG.** We use data analytics – including data mining, risk assessment models, and predictive analytics – to help focus our audits and investigations on high-risk areas of the U.S. Postal Service that yield the largest financial impact and/or efficiency improvements. For our organization, data analytics is a game-changer. Using a single data interface, investigators no longer have to comb through different programs and network folders, saving considerable time. Our predictive model lets us identify cases involving a high probability of fraud, before beginning an investigation. While the data game is rapidly evolving, federal laws governing data use have moved at a slower pace. The recently enacted DATA Act provides a powerful weapon in combatting fraud and waste in government by standardizing and opening up federal spending information for all to see. But agencies still face bottlenecks in uncovering fraud and abuse. Notably, the Computer Matching and Privacy Protection Act of 1988 – written before Big Data and intended as an extension of the Privacy Act – added procedural steps that agencies must follow when matching federal, state, and local electronic databases."

 **Boston Globe: Depending on whom you ask, package delivery by drone is either looming large in our future or is off in the distance.** While we wait, researchers at MIT are building the parts that will make delivery robots functional and efficient, including battery-swapping stations and algorithms that streamline the way the crafts will think.

 **eCommerceBytes: It sounds like a joke along the lines of, where can I find the bathroom scale? (the bathroom, of course).** But the U.S. Postal Service isn't joking when it asks "How much does a 1-pound box weigh?" in a new ad. The answer: "11 pounds, if you use the wrong shipping company."


 **Minneapolis Star Tribune: National lawmakers have joined Minnesota mayors in the fight to keep mail processing centers in four outstate cities from closing.** In a letter to Postmaster General Patrick R. Donahoe, Franken said he's heard similar criticism from folks in Rochester. Because of the closure, he wrote, a letter sent from one Rochester address to another "can take up to eleven days to get back down to Rochester."




The Association for Postal Commerce has submitted to the Postal Service a petition for reconsideration in response to the Postal Service's final rule regarding administrative wage garnishment ("AWG").

 **The Hill:** Animal rights activists are lobbying the U.S. Postal Service to stop selling stamps honoring the circus. More than 60,000 signers of a petition calling for the Postal Service to scrap the stamps say they do little more than lionize abusers of elephants and other animals.

August 25, 2014

 **Oregon Business Report:** Thousands of Oregonian and millions of American households would no longer receive door-to-door mail delivery service under legislation proposed by Representative Daryl Issa (R-CA). Instead, a growing number of households will be assigned to a local "cluster" box, where mail is distributed by U.S. postal workers to a collection of curbside mail boxes for multiple addresses. In some cases, this may mean a short walk down the street. Others may require a little more effort to retrieve mail.

 **Financial Times:** Italy loses enthusiasm for privatisations. The main event of the programme described as Italy's largest privatisation push since the late 1990s was the government selling 40 per cent of the national postal services operator Poste Italiane to raise at least €4bn. But Mr Renzi has back-pedalled on the listing of the postal service after a poor market debut by state-run shipbuilder Fincantieri in June. Bankers say that Mr Renzi's move to hold back from listing Poste Italiane until next year or even 2016 makes business sense. They argue that giving Francesco Caio, the recently appointed chief executive, more time to restructure the postal service may allow him to emulate the success of the listings of state-owned Deutsche Post and the UK's Royal Mail.




Attention Postal One! Users:


- **PostalOne!® Release 38** deployed on Sunday August 24, 2014. If you have any issues, including the submission of electronic documentation or accessing information through reports, contact the PostalOne! Help Desk at 800.522.9085. Following are the known issues and temporary procedures.
- **Commercial Plus Pricing** · The system is incorrectly calculating postage for mailers who receive Commercial Plus Pricing using Postal Wizard or hard copy postage statements. Business Mail Entry employees have been instructed to accept and release these mailings but to not process the postage statement(s) until this issue is resolved.
- **Uploading Mail.dat®/Mail.XML™ files** · Mailers may experience issues uploading Mail.dat or Mail.XML files. If you experience any issues uploading files, please contact the PostalOne! Help Desk at 800.522.9085.
- **MicroStrategy Reports** · The data for the MicroStrategy reports is not available at this time. This includes the Mailer Profile, Electronic Verification, eInduction, and Seamless tabs of the scorecard. We will provide an update when the data is available.
- **R 38 Price Change Statement Mailing Date Reminder:** For all Postage Statement submitted for all submission types, the Postage Statement Mailing Date cannot cross any price change date. An error message will occur when the Statement Mailing Dates within a job cross the price change date when the mailing dates are **not all before** or **not all after** the Price Change date. For example, the Postage Statement Mailing date for each postage statement within the job must all be before or after the price change of January 25, 2014 or September 7, 2014.
- **Live Animal Transport Fee** · When Mail.dat files are submitted, the system is unable to collect the Live Animal Transport Fee · PostalOne! IT will provide the BMEUs with the amount to be collected once the issues is resolved. The BMEU will then perform a manual adjustment.
- **Reminder** - New Client Download is required for Release 38.0
- We are working to resolve this issues as soon as possible. Updates will be provided as they become available. The Known Issues list is posted on RIBBS/Major/Minor Releases.



At the Postal Regulatory Commission:

- The Postal Regulatory Commission has established **Docket No. PI2014-1, to invite public comments on the meaning of "other public services or activities" by the Postal Service** under 39 U.S.C.3651(b)(1)(C) for cost reporting in its Annual Report to the President and Congress. In its Annual Report, the Commission is required to report an estimate of the costs incurred by the Postal Service to provide other public services or activities which, in the judgment of the Commission, would not otherwise have been provided by the Postal Service if the service wasn't a legal requirement. **The Commission's 2013 Annual Report estimated the costs of delivering mail six days a week instead of five days**, and revenue "lost" from unzoned First-Class Mail and Library/Media rates. The Commission has noted that this approach may be too narrow and would like to receive comments on the cost of other Postal Service activities. In early 2014, the Commission asked the Postal Service to provide an analysis of activities that could qualify for cost reporting. A copy of the Postal Service's assessment is available in Docket No. PI2014-1. The Commission will receive comments from all interested parties no later than September 17, 2014, and reply comments no later than October 1, 2014.

 The Warsaw Voice: Poland's national mail operator Poczta Polska (The Polish Post) wants to make a belated entry into the CEP segment (courier, express and parcel) in order to offset the decline in revenues from the delivery of letters and plans acquisitions. Poczta Polska wants to take advantage of growth in the e-commerce market, which is expected to expand by 20% this year.

 Washington Times: The Postal Service has been cutting back hours at smaller, rural facilities rather than close them down completely. Currently, downsizing has occurred or is planned at some 33,000 post offices around the country.

August 24, 2014




Dead Tree Edition: Letter carriers and other postal employees have been saying for several years that changes at the Postal Service would lead to more job-related injuries. A new report suggests they may be right.



Attention Postal One! Users:

- **PostalOne!® Release 38.0.0 and Release 38.1.0 Deployment** — has been completed and the production applications are back online as of 09:00AM CT. Please note this release has a mandatory Mail.dat® client download.
- **PostalOne! Release 38.0.0 and Release 38.1.0 Deployment to Test Environment for Mailers (TEM)** — will occur on Monday, August 25, 2014, and PostalOne! TEM will be unavailable from 6:00AM CT through 3PM CT.

 Newsday: Perceived conflict of interest on the part of Trinidad and Tobago Postal Corporation (TTPOST) chairman Dr Franklin Ali is the only reason why senior managers have been leaving the company. Sunday Newsday reported last week that Trinidad and Tobago Mailing Systems Limited (TTMSL) (now Streamline Solutions Ltd) of which State-owned TTPOST owns 30 percent shareholding, had complained to TTPOST's former director attorney Margaret Rose in 2007, that "Justal Ltd", a company registered in the name of Ali while he held the position as manager (operations), had solicited TTML clients. New information obtained by Sunday Newsday is that a certificate awarded to Ali by the Universal Postal Union (UPU) based in Switzerland was questioned by top management in August last year as to its legitimacy. Senior managers have also been questioning the qualifications listed in an employee's resume, which they say is a misrepresentation, which she used to seek out a promotion to TTPOST's top management level, and which she eventually gained, reportedly through the goodwill of a minister of Government.

August 23, 2014



From the Federal Register:

Postal Regulatory Commission	
NOTICES	
New Postal Products ,	
50707–50708 [2014–20051]	[TEXT] [PDF]
50708 [2014–20052]	[TEXT] [PDF]

August 22, 2014


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

- **Reminder: PostalOne!® Release 38.0.0 and Release 38.1.0 Deployment** — will require an extended maintenance window to complete all software updates. There will be a PostalOne! outage from 12 midnight through 9 a.m. CDT, on Sunday, August 24, 2014. A mandatory Mail.dat® client download will be available immediately following the software update. Release notes for PostalOne! Release 38.0.0 and Release 38.1.0 can be found on RIBBS by clicking on Major/Minor Release Schedule/ 2014 Releases in the left-hand navigation bar or by going directly to RIBBS.
- **PostalOne! Release 38.0.0 and Release 38.1.0 Deployment to Test Environment for Mailers (TEM)** — will occur on Monday, August 25, 2014, and PostalOne! TEM will be unavailable from 6 a.m. through 3 p.m. CDT. PostalOne! Release 38.0.0 Mailer Webinars – Webinars will be held for mailers to learn about the PostalOne! Release 38.0 updates to functionality, as well as pricing and postage statement changes. The schedule and topic for the webinars is shown below. Log on to RIBBS/Intelligent Mail Services/Education for additional webinar information.
- **PostalOne! Release 38.0.0 Business Related Changes** – this webinar will cover changes to PostalOne! functionality and postage statement and price changes · Friday, August 22, 2014 from 1 p.m. to 3 p.m. EDT Meeting Number: 748 335 429 Log on: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=748335429>
- **PostalOne! Release 38.0.0 FAST®, Mail.dat® and Mail.XML™** – this webinar will review changes to the Facility Access and Shipment Tracking (FAST) system and updates on Mail.dat and Mail.XML. · Wednesday, August 27, 2014 from 10 a.m. to 11 a.m. EDT Meeting Number: 744 206 784 Log On: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=744206784>
- **PostalOne! Release 38.0.0 Full-Service Intelligent Mail and Seamless Acceptance** – this webinar will provide a review of the programs, timeline of upcoming enhancements, and Release 38 enhancements to program elements such as the Mailer Scorecard. · Thursday, August 28, 2014 from 3 p.m. to 5 p.m. EDT Meeting Number: 747 170 710 Log On: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=747170710>
- **PostalOne! Release 38.0.0 eInduction** – for mailers who participate in eInduction, this webinar will cover upcoming changes with Release 38.0.0. · Wednesday, September 3, 2014 from 3 p.m. to 4 p.m. EDT Meeting Number: 740 374 710 Log on: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=740374710>
- **Program Registration Release 11.0** — will be deployed to Production from 12 midnight to 9 a.m. CDT on Sunday, August 24, 2014. There will be an outage and the application will be unavailable during that time.


 **At the Postal Regulatory Commission:**


- Analysis Of Additional Postal Service Activities That Could Qualify For Reporting Under 39 U.S.C. § 3651(b)(1)(C)
- USPS Preliminary Financial Information (unaudited), July, 2014
<http://www.prc.gov/docs/90/90255/2014.8.22%20July%20FY2014%20Report%20to%20PRC--attachment.pdf>
http://www.prc.gov/docs/90/90255/LETTER%20USPS%20PFI%20JULY%20201_20140822154109.pdf
- National Trial Balance, July, 2014 (FY 2014) ; and Statement of Revenue and Expenses, July, 2014 (FY 2014)

http://www.prc.gov/docs/90/90253/LETTER%20NTB_20140822154220.pdf
[http://www.prc.gov/docs/90/90253/National%20Trial%20Balance,%20%20July,%202014%20\(FY%202014\).xls](http://www.prc.gov/docs/90/90253/National%20Trial%20Balance,%20%20July,%202014%20(FY%202014).xls)
[http://www.prc.gov/docs/90/90253/Statement of Revenue and Expenses, July, 2014 \(FY 2014\).xls](http://www.prc.gov/docs/90/90253/Statement of Revenue and Expenses, July, 2014 (FY 2014).xls)

 Wall Street Journal: The Justice Department has added three charges of money laundering to last month's dubious indictment of FedEx for drug trafficking. Maybe government prosecutors figure by the rules of probability that the more implausible allegations they make, the greater the odds that one will stick. Justice is turning the screws with a goal of browbeating FedEx into settling the case by paying a fine and agreeing to do the government's enforcement work. So instead of nailing the criminals, Justice is targeting law-abiding companies. FedEx deserves credit for not rolling over. The prosecutors in this case should be found guilty of fraud and harassment


 Postal Reform Act Of 2013 Report Of The Committee On Homeland Security And Governmental Affairs United States Senate


 The Oregonian: A few years ago, the U.S. Postal Service gave Oregonians a fright when it announced a plan to shut down unprofitable post offices, most of them rural. Good news: The pitched public outcry against the idea was heard. Now for the bad news — familiar but, owing to Congress' inaction, worse than ever: The Postal Service drowns deeper in liabilities as it watches its mainstay — the delivery of First Class mail to every address in America — steadily decline at the rate of 4 percent a year. Liabilities of the service, which supports nearly 490,000 career employees nationwide, exceed assets by about \$42 billion. There are other complications. Its massive infrastructure was designed for letters, which take little room and pack differently. That means one of the largest civilian vehicle fleets in the world — more than 200,000 smaller postal trucks, most of them 20 years old — is ripe for replacement with larger, box-friendly, fuel-efficient vehicles. That also means new mailboxes are needed just about anywhere folks would prefer to avoid having to drive to the post office to pick up an undeliverable parcel — a cost burden that in many instances will be shared with customers. The estimated tab to the service to mount these changes alone — there are others, too — is \$10 billion.

 Ferret: Auckland's Croxley Stationery has announced that it is considering ending its manufacturing operations, with 100 jobs to be shed. Croxley's managing director David Lilburne said in a statement that cheap imports, an elevated currency eroding export sales, and changing communication habits had hurt the business. "We are operating in an environment which has seen a decline in postal use and a reduction in demand for traditional paper based office products," said Lilburne. "Emails have replaced envelopes and writing pads."

 *From the Federal Register:*

Postal Regulatory Commission	
NOTICES	
New Postal Products ,	
49822–49823 [2014–19883]	[TEXT] [PDF]
Postal Products; Amendments ,	
49823 [2014–19882]	[TEXT] [PDF]
Postal Service	
NOTICES	
Meetings; Sunshine Act ,	
49823 [2014–20157]	[TEXT] [PDF]
Product Changes:	
Priority Mail Negotiated Service Agreement ,	
49823 [2014–19925]	[TEXT] [PDF]

 **The Oregonian:** A group of postal workers and supporters set up a picket line Thursday outside the Vancouver Hilton, where Deputy Postmaster General Ronald Stroman was attending a mailer's expo. They chanted and circulated flyers to call attention to the U.S. Postal Service's plans to consolidate distribution centers in Oregon, potentially costing the jobs of several hundred workers. John Schwiebert, a retired minister and a member of the group Portland Communities and Postal Workers United, said he spoke to Stroman inside the expo. During a formal question-and-answer session, Schwiebert said, he and Stroman ended up discussing the virtues of postal banking, which could give some customers an alternative to traditional banks and payday lenders. Schwiebert said Stroman was aware of the protest outside and was "very engaging" to talk to.


 **The Saline Reporter:** Some city residents may not have received their July utility bills due to what appears to be an error by the United States Postal Service. According to a press release, the city was made aware in August that a number of July 2014 utility bills in the same route had not been received by the residents. The city reviewed billing records that indicate the number of bills printed, distributed and postage paid for was in comparison to the same number billed quarterly. The quarterly count was verified with the mailing agent and with the postage permit paid at the United States Post Office. Therefore, the City of Saline's records indicate that all July 2014 utility bills were printed, prepared and postage paid, and has requested an investigation of the delivery of mail. The city treasurer's office has been in contact with the United States Postal Service regarding this matter and an investigation is underway at this time.


August 21, 2014





Attention Postal One! Users:

- **PostalOne!® Release 38.0.0 and Release 38.1.0 Deployment** — will require an extended maintenance window to complete all software updates. There will be a PostalOne! outage from 12:00AM(midnight) CT through 9:00AM CT, on Sunday, August 24, 2014. A mandatory Mail.dat® client download will be available immediately following the software update. Release notes for PostalOne! Release 38.0.0 and Release 38.1.0 can be found on RIBBS by clicking on Major/Minor Release Schedule/ 2014 Releases in the left-hand navigation bar or by going directly on RIBBS.
- **PostalOne! Release 38.0.0 and Release 38.1.0 Deployment to Test Environment for Mailers (TEM)** — will occur on Monday, August 25, 2014, and PostalOne! TEM will be unavailable from 6:00AM CT through 3PM CT.

 **Public Opinion Local News:** A former Waynesboro postal worker was sentenced on Friday at a U.S. District Court for deserting mail in August 2013. Jacki M. Snedegar, was in charge of the mail when she knowingly abandoned the mail instead of delivering it to a post office at the end of the route, another mail carrier, messenger or other agent of the United States Postal Service authorized to receive mail, according to court documents. Snedegar, represented by American Federal Public Defender Heidi R. Freese, pleaded guilty to a misdemeanor count of desertion of mails on Friday, after being charged with the federal level offense in July 11. According to court documents, Snedegar's desertion of mail ended on Aug. 30, 2013.


 **Shreveport Times:** A U.S. Postal Service mail carrier from Shreveport has pleaded guilty to stealing Netflix DVDs and money, U.S. Attorney Stephanie A. Finley announced today.

 **New Jersey Monthly:** The United States Postal Service Northern New Jersey District officials will be hosting a special postal job fair at City Hall on Thursday. Plainfield Mayor Adrian O. Mapp is organizing the joint community outreach at the Watchung Avenue complex from 4 p.m. to 7 p.m. to assist the USPS in filling their open positions. Attendees will have the chance to learn about and apply for postal service openings, including: clerks, carriers, temporary holiday employees, motor vehicle operators/truck drivers and auto mechanics.

 WANE: The U.S. Postal Service (USPS) is hoping to fill hundreds of Rural Carrier Associate positions in Indiana. According to the release from USPS, the salary for the positions is \$16.25 an hour plus an equipment maintenance allowance. Employees may be required to use personal vehicles but compensation would be provided for that.

 *At the Postal Regulatory Commission:*

- **Household Diary Study: Mail Use & Attitudes in FY 2013**
http://www.prc.gov/docs/90/90246/Letter_Household_FY13_20140821142138.pdf
http://www.prc.gov/docs/90/90246/USPS_HDS_FY13.pdf
- **Quarterly Statistics Report, Quarter 3, FY 2014**
http://www.prc.gov/docs/90/90245/Letter_QuartStat-Q3FY14_20140821141910.pdf
http://www.prc.gov/docs/90/90245/QSR_FY14QT3.pdf

 *DMM Advisory:* **PRC Affirms Priority Mail Price Changes** On August 15, 2014, the Postal Regulatory Commission (PRC) affirmed the Priority Mail® price changes proposed by the United States Postal Service® on July 1, 2014. These prices will be implemented on September 7, 2014. For additional details, go to Postal Explorer® at pe.usps.gov for pricing files (look in the blue navigation bar for September 2014 Price Change Information) and to the PRC website at [http://www.prc.gov/Docs/90/90202/Order No. 2156.pdf](http://www.prc.gov/Docs/90/90202/Order%20No.%202156.pdf) to download Order No. 2156. A Postal Bulletin article will be published on August 21, 2014.

 **The latest issue of the PostCom Bulletin is available online.** In this issue:

- Postmaster General Patrick Donahoe earlier this week gave an update to attendees of the Mailers Technical Advisory Committee (MTAC), noting positive USPS revenue trends, service improvements, and continued USPS cost reduction efforts including Phase 2 of its Network Rationalization efforts. The PMG had little insight as to what the USPS might do in 2015 concerning postage price changes, and agreed with industry representatives that a better approach is needed in the future to replace the Postal Service's historical costing systems.
- The USPS recently announced its plans to move ahead with Phase 2 of its Network Rationalization facility consolidations and service standard changes effective January 5, 2015, and late last week held a webinar to provide industry representatives with more detail around its plan. The changes will include consolidation of about 82 facilities, as well as service standard and Critical Entry Time (CET) changes for First-Class Mail and Periodicals. The USPS said it expects to publish the initial Mail Moves plan in about 4-6 weeks.
- February and May 2015 MTAC meeting dates set. Looking for more news from MTAC? Carper urges colleagues to move on reform. Booming e-commerce shaping postal pressures. USPS offering a competitive alternative to UPS and FedEx. Upcoming UPS FedEx services and prices getting scrutinized. Rush to make same day service a marketplace advantage. APWU Keeps up the heat on USPS-Staples dealings. NLRB Judge rules staples deal illegal. USPS apologizes for Israel-Gaza mail flap. Postal reform languishes. USPS Showcases mail tracking service.
- An update on DMM and PostalOne customer alerts.
- An update on Federal Register postings regarding mail service.
- An update on key docket activity at the PRC.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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



The PostCom Bulletin is distributed via NetGram

The Oregonian: How bad is the outlook for the U.S. Postal Service? Ronald Stroman, deputy postmaster general, doesn't hesitate. We're defaulting on our retiree health benefit obligations, he explains during a Wednesday stop in Portland. We owe the Treasury \$15 billion, he says. First class mail volume is declining about 4 percent a year, he notes. The Post Office should spend about \$10 billion to upgrade its fleet of delivery vehicles and improve its sorting equipment to reflect the growing importance of package delivery, he adds. "People don't want us to change," Stroman said Wednesday, alluding to uproars that follow when the agency talks about cutting Saturday service, closing or reducing service hours at its branches or raising postage rates. "We're pressing Congress for change," he said, "but we're not waiting." The Postal Service is looking for ways to extract new sources of revenue from its national delivery system, he said. Operating tests are being carried out, but as to specifics, he said, "I can't go into it."

Direct Marketing News: Most transit advertising companies have to fulfill their media plans with logistical analyses that ensure their client's messages are motoring around the right neighborhoods, the ones where their target customers live. The U.S. Postal Service need not trouble itself with such trifles. Their trucks are always in the right place because they're everywhere! USPS already owns the billboard "real estate," as it were, because they own the doors of every address in the country. All the Postal Service has to do is get new and better billboards. (Trucks, that is.) Here's what I'd do to jump-start the program. Send RFPs to all the major truck manufacturers, asking them to design the U.S. Mail truck of the 21st Century. But instead of paying the winning bidder with cash money, currently in short supply at the Post Office, you pay them with free designated market area media. If Ford wins, it can use its truck space to crow that it built the vehicle on which the world's largest delivery fleet is based, or it can choose to promote the new F150 or Mustang. When you begin selling truck panels to the nation's leading advertisers, Ford gets orders for tens of thousands of new vehicles. I would be very surprised, Mr. PMG, if you couldn't score at least 20,000 free trucks this way. You pay big bucks to Interpublic to handle your media, right? Instead of having them just buy your media, why not put them to work selling some for you? Call them tomorrow and ask them to start working up a media kit. Let's release the U.S. Mail truck from its pathetic role as a dying dog. Give it a new script and take it on the road!

 *From the Federal Register:*

Postal Regulatory Commission	
NOTICES	
New Postal Products ,	
49543 [2014-19799]	[TEXT] [PDF]
49542-49543 [2014-19800]	[TEXT] [PDF]
Postal Service	
NOTICES	
Privacy Act; Systems of Records ,	





49543-49544 [2014-19813]	[TEXT] [PDF]
--------------------------	--------------

At the Postal Regulatory Commission:

- **Revenue, Pieces and Weight** by Classes of Mail and Special Services for Quarter 3, Fiscal Year 2014, Compared with Corresponding Period of Fiscal Year 2013
http://www.prc.gov/docs/90/90241/Fy2014Q3_RPWsummaryreport_public.xls
http://www.prc.gov/docs/90/90241/Letter_RPW_Q3FY14_20140820171432.pdf


August 20, 2014


 **People's World:** The two developments, plus previous "no confidence" votes by both big postal unions, the Letter Carriers (NALC) and the Postal Workers (APWU), should be enough to give any managers pause. But the unions are again taking their case public, too, with planned protests. NLRB Administrative Law Judge Eric Fine dealt the legal blow. He ruled that, since last November, USPS broke labor law in refusing to provide requested materials, e-mails and memos about the Staples deal to APWU.

 **Wall Street Journal:** UPS Store Inc. on Tuesday warned that customers' personal and financial information may have been compromised at some of its locations following a security breach. The company, a unit of United Parcel Service Inc., said it has found no evidence of fraud stemming from the breach, but is offering free credit-monitoring services to eligible customers whose information may have been compromised. The company said it discovered malware on systems at 51 locations in 24 states after receiving a government bulletin alerting retailers to the possible intrusion.




Office of the Inspector General: Federal Employees' Compensation Act Reform White Paper Report Number HR-WP-14-003


 **Federal Times:** Even as the Postal Service has cut hundreds of thousands of employees its workers' compensation costs continue to grow, according to an Aug. 19 report by the Postal Service inspector general. The Postal Service also pays more than the industry standard: The Bureau of Labor Statistics calculates that private industry workers' compensation in the same occupations cost 73 cents per work hour, while the Postal Service paid \$1.16 per work hour in fiscal 2013, according to the report. The agency could save \$477 million if it capped workers' compensation benefits by time and amount, and required employees to take generic drugs for prescriptions when available, according to the inspector general.


 **Politico:** Mitch McConnell has a game plan to confront President Barack Obama with a stark choice next year: Accept bills reining in the administration's policies or risk a government shutdown. In an extensive interview here, the typically reserved McConnell laid out his clearest thinking yet of how he would lead the Senate if Republicans gain control of the chamber. The emerging strategy: Attach riders to spending bills that would limit Obama policies on everything from the environment to health care, consider using an arcane budget tactic to circumvent Democratic filibusters and force the president to "move to the center" if he wants to get any new legislation through Congress. In short, it's a recipe for a confrontational end to the Obama presidency.


 **TechInAsia:** Chinese ecommerce giant Alibaba announced today it will introduce self-pickup delivery across Hong Kong today for goods purchased on Taobao Marketplace Hong Kong, in partnership with 7-11 and Hongkong Post, the city's government-run postal service. Now, users based in Hong Kong who buy goods off of Taobao Marketplace can opt to pick up their items at one of over 200 designated locations. 125 of these locations belong to Hongkong Post, while 7-11 and a bevy of local logistics providers operate the remainder. Read more: [Alibaba introduces self-pickup delivery spots in Hong Kong as it flexes its logistics muscles](http://www.techinasia.com/alibaba-introduces-selfpick-delivery-spots-hong-kong-flexes-logistics-muscles/)


 **Direct Marketing News:** The Postal Service has been openly touting its shipping services to e-coms as a low-cost alternative, especially since UPS and FedEx announced "dimensional pricing" plans that will charge premiums for larger-sized packages, no matter the weight. The new rates will take effect at year's end. The Postal Service already accounts for nearly two fifths of the total volume shipping in the U.S., but less than one fifth of revenues, according to a recent report from the Office of the Inspector General of the U.S. Postal Service. That's because the Post Office has focused on lightweight packages that return a revenue-per-piece of \$3.37 as compared to \$9.70 for FedEx and \$9.39 for UPS. Apparently, the decreased rates for heavier packages are designed to remedy that disparity. The


package business has been one of the few bright lights at the Post Office in recent years, posting regular increases over the last several quarters. During USPS's recently concluded Fiscal 2014 third quarter, shipping and package volume increased 7.7% and added \$196 million in revenue.

 Boston Herald: The American Postal Workers Union and its supporters plan to protest at Staples stores in Boston and Saugus today against what they call the outsourcing of postal work to a troubled retailer. The U.S. Postal Service and Staples launched a pilot program last October to allow 82 stores in Worcester, Atlanta, Pittsburgh, San Diego and San Francisco to sell the most popular postal products and services. "The major concern is the U.S. Postal Service belongs to the people of this country, and what it's doing with Staples is a form of privatization where profit motive comes into play, which ultimately leads to higher costs for the consumer and less service," said Rich Shelley, an APWU member and organizer of the Staples campaign. "This is also the transfer of living-wage jobs at the postal service to low-wage jobs at a retailer to save money."


 Guelph Mercury: At a public forum held in Guelph Aug. 6 by two local unions, Shelley Sillers, president of the Canadian Union of Postal Workers, was quoted as saying, "while postal workers are not facing a strike or a lockout, they are facing job losses as the federal government plans to stop door-to-door mail delivery in favour of community mail boxes." Well, let's face the inevitable: door-to-door delivery of mail is in its dying days, thanks to email and the internet, where it can be done in mere seconds by the flip of a few keys and at much less cost.


 Digital Journal: This month saw the launch of a revised code of conduct from the UK's foremost Direct Mail trade body, The Direct Marketing Association (DMA). The Code is aimed at improving the effectiveness and public perception of direct marketing. The aim is to take members beyond the levels of compliance required by legislation, advertising bodies and data protection organisations to enable them to deliver a service that 'adds value' to recipients of Direct Mail.

 Seeking Alpha: PostNL has been able to stem the decline of mail volume with strict cost cutting discipline outside of their restructuring efforts. Increased efficiency has been found from each car unit and has benefited from a transition to the 5 day delivery model. Even with 11% declines in mail volume, the company expects to achieve 9-11% cash operating margins from mail compared to the 3.8% achieved in 2013.


 **Office of the Inspector General:** Federal Employees' Compensation Act Reform -- A White Paper


 *From the Federal Register:* **Postal Regulatory Commission NOTICES** New Postal Products , 49345–49346 [2014–19639] [TEXT] [PDF]


 Forbes: The coming rate increases in ground service by FedEx and UPS have businesses scrutinizing every aspect of their parcel-shipping programs. Both companies are preparing to introduce dimensional weight pricing for all parcels in U.S. ground service — UPS on Dec. 29, 2014, and FedEx on Jan. 1, 2015. The change means that the cost of shipping any package will be based in part on the item's volume — the amount of space it takes up on a truck. Up to now, the two carriers have limited the use of that formula to domestic ground packages measuring three cubic feet or greater, and for air and express shipments. Shippers are waking up to the implications of the pricing change. The likeliest benefactor is the U.S. Postal Service, whose Priority Mail option will continue to charge a flat rate for domestic shipments of up to 70 pounds. The Postal Service has recently undertaken a major marketing push to draw business away from FedEx and UPS, providing tracking capability and free insurance, and partnering with leading e-commerce players such as Amazon.com to offer Sunday delivery in major cities. Meanwhile, Amazon, eBay, Google and other major e-commerce sites might step up efforts to launch their own delivery services.

 National Journal: The stage is being set this month for another round of argument and angst over the future of the U.S. Postal Service when Congress returns to work in September. The latest squabble erupted after the USPS, which this summer reported a net loss of \$2 billion in the second quarter of 2014, announced plans to cut 15,000 jobs and consolidate 82 mail-processing centers in 2015. The Postal Service has already consolidated 141 mail-processing facilities since 2012. Last week exactly half the Senate wrote to appropriators urging them to block any more Postal Service cutbacks in legislation to fund the government after Oct. 1, which Congress must enact in September to avoid a shutdown. On Tuesday, the chairman of the Senate Homeland Security and Governmental Affairs

Committee responded with a statement saying Congress should instead enact comprehensive postal reforms "before it's too late."

 **Forbes:** Google, Amazon, eBay, Walmart — at this point, the list of tech and retail giants trying to perfect same-day home delivery — alongside such startups as Instacart and Postmates — might be longer than the list of those that aren't. Big or small, though, they all have to contend with the same problem: Driving stuff right to a customer's front door in a specific window of time is expensive, and software can only go so far in bringing that cost down. What if the answer is using cars that are already on the road, driving that so-called last mile? That's what Uber is betting with Corner Store, its experimental foray into home delivery of sundry goods. The personal transportation startup is testing the new service in Washington, D.C., where users can order from a list of products that includes hand sanitizer, laxatives, razor blades, lubricant and chewing gum.

 **The Hill:** A key senator is calling on his colleagues to rally around his bill to shore up the Postal Service's finances. Sen. Tom Carper (D-Del.), chairman of the Homeland Security and Government Affairs Committee, told his colleagues Tuesday that if they wanted to save the Postal Service from collapse, they should sign on to his legislation and add to it.


 **Government Executive:** Federal workers' compensation laws discourage employees from returning to the job and create unnecessary and burdensome costs for federal agencies, according to the U.S. Postal Service inspector general. USPS' workers' compensation costs have grown rapidly in recent years, the IG found, despite drastic cuts to the agency's workforce. The Postal Service paid \$1.3 billion in benefits to employees injured on the job in 2013 -- a 35 percent increase from 2008 -- while it decreased its workforce by 26 percent in the same period. The agency maintains a \$15.9 billion workers' compensation liability. Workers' compensation costs have grown as USPS has fewer light-duty positions available for injured employees coming back to work, employs an older workforce and endured cost-of-living adjustments.



At the Postal Regulatory Commission:

- **Market Dominant Products Billing Determinants, Fiscal Year 2014, Quarter 3; and International Market Dominant Products Billing Determinants, Fiscal Year 2014, Quarter 3 - Public Subpart**
http://www.prc.gov/docs/90/90229/Billing%20Determinants-Market%20Dominant_Q3_FY2014.zip
http://www.prc.gov/docs/90/90229/Letter_BillDet_FY14_Q3_20140819164549.pdf
http://www.prc.gov/docs/90/90229/Q314_MKT_DOMINANT_INTL_BD.xls

August 19, 2014


 **Finnbay:** Itella Posti will launch a product-specific delivery experiment lasting from September 1 to November 30 in Korso (Vantaa), Kivenlahti (Espoo), Porvoo, Riihimäki, Varkaus and Leppävirta. During the experiment, products referred to in the Postal Act as universal service products, as well as newspapers and parcels, will be delivered five days a week, as is the current practice, whereas letters, advertisements and magazines sent by companies will not be delivered in the experiment areas on Tuesdays.





Sen. Thomas Carper (D-DE): *Here's a reaction from Chairman Carper to his colleagues' letter regarding a one-year moratorium on postal facility consolidations:*


"The Postal Service continues to face severe financial challenges and unfortunately continues to dangle on the edge of collapse. If Congress continues to do nothing, we face a future without the valuable services the Postal Service provides. This would be a devastating blow to our economy. The Postal Reform Act of 2014 is a comprehensive and bipartisan solution to the Postal Service's financial challenges that would prevent collapse, protect millions of mailing industry jobs, and enable this critical institution to serve the American public for years to come. Moreover, it would preserve existing service standards – including the 82 plants and Saturday mail delivery – until other reforms have a chance to bear fruit. This latest round of closures isn't the first time the U.S.

Postal Service has had to implement potentially damaging cost-cutting measures on its own in order to reduce costs. In the absence of comprehensive postal reform, it probably won't be the last. If my colleagues want to address these concerns for the long-haul, I urge them to join me this September as we continue our efforts to fix the serious, but solvable, financial challenges facing the Postal Service. Our bill isn't perfect but it is an important step in the right direction. I hope my colleagues will join our efforts to enhance this plan in order to save the Postal Service before it's too late."

 **eCommerceBytes:** As the USPS gets ready to lower commercial rates for Priority Mail packages next month, UPS and FedEx expressed some concerns. The Postal Regulatory Commission (PRC) referenced those concerns in its order Friday approving the rate changes to Priority Mail that take effect on September 7, 2014. Stamps.com Senior Director of Online Marketing Eric Nash told eCommerceBytes that with the September rate changes, "the USPS is going aggressively after the ground business from UPS/FedEx Ground."


 **Post & Parcel:** Spain's Correos has launched a new door-to-door delivery service for railway passengers' baggage. The "Puerta a Puerta" (Door to Door) service is targeted at passengers of trains run by state rail company Renfe, including long distance trains, the high-speed AVE and tourist trains. Correos said it secured the contract with Renfe through a bidding process, winning the deal thanks to its experience, the extent of its delivery and retail networks and the public trust in its brand.

 **Alliance News:** Ministers considered selling the government's whole stake in Royal Mail PLC when the shares were trading close to their post-privatisation peak earlier in the year, but decided not to do so because the move would risk antagonising City investors, Sky News reported Tuesday. Sky News said the Department for Business, Innovation and Skills and the Shareholder Executive, the body which oversees state-owned assets, discussed the sale of the remaining 30% stake held by taxpayers in Royal Mail in March, five months after the business was listed on the London Stock Exchange. By deciding against selling off the rest of the stake, ministers effectively forfeited a further GBP500 million gain on the sale of the postal service, Sky News said. The news could reignite the row over the controversial sell-off of Royal Mail, which has faced criticism from the Business, Innovation and Skills Select Committee and the National Audit Office that the shares were priced too low when the company was floated in autumn 2013, costing taxpayers GBP1 billion.

 **Office of the Inspector General:**


- The OIG wants to know: "Should the Postal Service continue its consolidation plan? " Be sure to vote.
- **eCommerce Customer Registration *Audit Report*. What the OIG Found:** Controls used to safeguard the eCommerce Customer Registration process and reduce online credit card fraud need improvement. Management has not established a threshold for fraud-related chargebacks (transactions rejected by credit card companies) for the four eCommerce applications in our review. As a result, management cannot objectively measure when to increase oversight and controls to reduce fraud. Of the four applications, Click-N-Ship's credit card fraud-related loss of \$4.6 million was above the industry's recommended threshold for acceptable levels of credit card fraud in FY 2013. In addition, management did not always ensure all credit card company chargebacks were validated. Further, seven of the eight Customer Registration controls we tested worked as management intended. However, we identified one vulnerability that could permit a cyber criminal to impersonate a valid user and obtain postage using stolen credit card data. Finally, we did not identify any critical or high-risk vulnerabilities when conducting over 3,000 additional tests of the USPS.com login page.

 **From the Federal Register:** [Postal Regulatory Commission NOTICES New Postal Products , 49116 \[2014-19567\] \[TEXT\] \[PDF\]](#)


 **WSET:** A an informational picket is planned outside Congressman Bob Goodlatte's office this week as a way to let the public know about coming proposed changes. Earlier this month the US Postmaster submitted changes to the standards that will end the overnight delivery standard. It will be replaced with a two day standard. Information provided by the USPS shows the move is needed to allow for the consolidation of the postal system. Roanoke is set

to lose its processing center to Greensboro in April as part of an ongoing downsizing of the system in an effort to save money. The proposed changes to delivery, which will affect zip code starts with 240, 241, 243 and 245 will go into effect on January 5th barring any changes. Monday American Postal Workers 482 president, Carlton Cooper, said Wednesday's picket outside Congressman Goodlatte's Roanoke office is designed to let the public know about the change.

August 18, 2014


 **DMM Advisory: PRC Affirms Priority Mail Price Changes** On August 15, 2014, the Postal Regulatory Commission (PRC) affirmed the Priority Mail® price changes proposed by the United States Postal Service® on July 1, 2014. These prices will be implemented on September 7, 2014. For additional details, go to Postal Explorer® at pe.usps.gov for pricing files (look in the blue navigation bar for September 2014 Price Change Information) and to the PRC website at [http://www.prc.gov/Docs/90/90202/Order No. 2156.pdf](http://www.prc.gov/Docs/90/90202/Order%20No.%202156.pdf) to download Order No. 2156. A Postal Bulletin article will be published on August 21, 2014.

 Slate: "A Short History of Postal Banking"


 Sacramento Business Journal: Will you remember where you were when you heard the news that FedEx and UPS had gone postal? No, not that kind of postal. "FedEx Corp. and United Parcel Service Inc. increasingly are moving their own packages through the U.S. Postal Service," the Wall Street Journal reported the other day. For me, this is a little like finding out that when it's running low on potatoes, Stoli pours Popov in its bottles.


 *At the Postal Regulatory Commission:*


- **CP2014-55 PRC-LR-CP2014-55/1 - Calculation of the Percentage Change in Price for Priority Mail**
<http://www.prc.gov/docs/90/90210/PRC-LR-CP2014-55-1.doc>
<http://www.prc.gov/docs/90/90210/PRC-LR-CP2014-55-1.xls>


 **Attention Postal One! Users:** The U.S Postal Service launched a new help desk platform to streamline MDA customer service. The MDA Customer Service Help Desk is a centralized process that connects customers directly with Mailpiece Design Analysts (MDAs) who have specialized mailpiece design expertise. The new MDA Customer Service Help Desk system will automatically route customer calls and emails to help: (1) Minimize customer handling and wait time (2) Improve customer call back process by expediting customer connectivity with the MDA assigned to their ticket through the telephone menu option (3) Enhance and simplify the customer experience through new telephone menu options (4) Internally monitor customer interactions and responses to measure quality


- **Get directly connected with an MDA by calling 1-855-593-6093 or send an email to MDA@usps.gov.** The MDA Customer Service Help Desk is available to all customers, internal and external, Monday through Friday between the hours of 7:00AM and 5:00PM Central Time, excluding holidays.
- **Open Line webinars will be hosted to provide mailers with an opportunity to ask questions or provide feedback about the new MDA Customer Service Help Desk process.** In addition, MDA Help Desk customers are invited to complete a customer survey on their MDA Customer Service Experience. A survey link is included at the bottom of each email correspondence with an MDA or you can [Click Here](#) to tell us about your latest MDA Customer Service Helpdesk experience.
- **To join the MDA Customer Service Help Desk Open Line Call, click on the link below no more than 15 minutes before the start of the call.** Webinar Dates: Monday through Friday, beginning August 18, 2014 through September 18, 2014 Time: 1:00 pm to 2:00 pm eastern Meeting Number: 743 271 900 Log On: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=743271900> Teleconference information Provide your phone number when you join the meeting to receive a call back. Alternatively, you can call: Call-in toll-free number: 1-855-8607461 (US) Conference Code: 260 841 5474 Additional information about the MDA Customer Service Help Desk can be found at RIBBS.usps.gov under the MDA Customer SVC Help Desk tab.


 Central Penn Business Journal: A few facts are indisputable: The postal service is bleeding money. Prices continue to rise as demand slows. Demand has slowed because technology that has existed for decades has replaced many of the services the postal service used to provide (email, online bill paying, etc.), and that technology is not going to go away. In the business world, that's a no-brainer. It's time to cut back — on jobs, on locations, on services offered. Stem the financial bleeding, then determine how much service the market truly needs.


 MobileNext: Mobile commerce had some great numbers in Holiday season of 2013 according to the report by Monetate. In this infographic, we look at the predictions for Mobile commerce by Forester, Goldman Sachs group for the year 2014 and 2018. One in three purchases in 2014 were on mobile. Mobile commerce is expected to account for two third of purchases in 2018.

 PRWeb: Market prices for letter and parcel delivery services have grown significantly during the past three years despite relative stability in carriers' wage and fuel costs. This relationship is notable because wages and fuel are the main components of carriers' cost structures. Carriers' package volumes have risen during the past three years due to growth in the number of businesses, per capita disposable income and trade volume. Booming e-commerce has magnified the impact of these demand drivers, as this market's carriers are responsible for shipping nearly all goods purchased online to their end users. Buyers' ability to reduce costs through long-term shipping contracts is limited in this market. "Despite recent growth, carriers' average profit margins remain low, limiting the steepness of contract discounts.


 The Barbados Advocate: Attorney General and Minister of Home Affairs, Adriel Brathwaite, says he is aware that the Barbados Postal Service has been encountering some difficulties, as there seems to be less reliance throughout the world on the service provided by post offices, but he said that entity is making adjustments where necessary to meet the challenges head on. The Home Affairs Minister made the point while speaking to the media following the launch on Friday of the new commemorative stamp issue to mark the 100th anniversary of the opening of the Panama Canal, which was made possible through the hard work of thousands of Barbadians.

 Government News: A dire warning from Australia Post's chief executive that mail volumes "will literally fall off a cliff" if the government stops sending out paper correspondence has been quickly followed by landmark deal with Canberra that promises to dramatically slash the number of letters sent by the Commonwealth. In what could be 'Thelma and Louise' moment for the struggling Postal Service, its boss Ahmed Fahour and Communications minister Malcolm Turnbull have hit the accelerator on a digital joint venture that, if successful, could massively drop paper mail deliveries in just a year. Mr Turnbull and Human Services Minister Senator Marise Payne on Monday revealed that Australia Post will now front-end secure electronic mail from the popular 'my.gov.au' online portal and its myGov inbox. The deal will allow users of the myGov inbox to have mail they get there forwarded to their Post Digital Mailbox – the assumption being that they either have or will want one.


 Universal Postal Union: "***Vision 2020 : Delivering innovative, integrated, and inclusive development solutions***" -- The Conference aims to identify key trends and drivers of change that might influence the future of the postal sector and of the UPU, and compare them against the work being done to implement the Doha Postal Strategy.


 eCommerceBytes: The United States Postal Service is raising rates for Priority Mail when purchased at the Post Office. But, it is lowering rates for those who purchase Priority Mail postage online, a further incentive for merchants to print labels online. The USPS announced the new rates last month, and the Postal Rate Commission issued its order approving the rate changes on Friday, August 15th. The new rates take effect on September 7th.


August 17, 2014

 PM News Nigeria: The Nigerian Postal Service (NIPOST) has called on Federal Government to provide adequate infrastructure for the service to enhance its productivity. In an interview with NAN in Abuja on Sunday, Mr Emem Samuel, the Deputy Postmaster-General, Counter Operation, said some capital projects were being done by the service alone. "NIPOST is a government-owned responsible for providing postal services in Nigeria; so, the capital


intensive infrastructure should not be left for it to manage. "We need capital investments from the Federal Government to upgrade NIPOST as this will attract investors to invest in the service.


 **MSN.ie:** The Irish Postmasters' Union (IPU) is calling on the government to move the provision of Motor Tax renewal to post offices. The IPU is citing a report by Grant Thornton on the future of the Post Office Network which found that moving the renewal of Motor Tax to Post Offices could save the taxpayer €27m over five years. It would have an overall benefit of €63m when the additional business it would bring to Post Offices is factored in.

 **The Island:** Postal rates have been increased with effect from August 7, 2014, Postmaster General, Rohana Abeyratne said. The minimum postal charge for an ordinary letter has been pushed up by 100%. "This means that the earlier five rupees has been doubled to ten rupees". The rate for business mail has also been doubled – from Rs. 15 to Rs. 30.


 **The Hill:** The U.S. Postal Service on Thursday apologized to customers who were wrongly told that the conflict in Gaza prevented mail from being sent to Israel, after complaints from a prominent Jewish group. The Anti-Defamation League (ADL) said this week that it was still getting reports from across the country, including Massachusetts, Michigan and New Jersey, that customers trying to send mail to Israel had been turned away because of the fighting in Gaza.


August 16, 2014

 **Montreal Gazette:** The leader of Quebec's municipalities union says she's "bitterly disappointed" that Canada Post hasn't consulted her before building community mailboxes in Quebec. Last April, representatives from the postal service met with the Union des Municipalités du Québec (UMQ) about their plan to phase out home delivery beginning in the fall of 2014. UMQ president Suzanne Roy says that, during the meeting, the municipalities union was promised they'd be consulted before a single mailbox was installed in Quebec. But Canada Post moved forward with the community mailbox projects, installing the structures in North Shore communities like Rosemere without so much as a phone call to the UMQ — according to Roy. In fact, Roy says she learned of the new mailbox rollout by reading about it in the newspaper.

 **Mobiletor:** Postal workers are not likely to be pleased by this, but the government has opened an e-Greetings website as part of its Digital India initiative in the hope that people will use this eco-friendly way to wish friends, colleagues and loved ones. You simply have to go to the online portal, pick an e-card which catches your eye, customize it and then send it via email. The e-Greetings cards are separated into four main sections covering Heritage, Celebration, Glimpses of India and Festivals, while each of these categories are further divided into even more sub-sections.

 **MONDAQ:** "United Kingdom: Charity VAT Newsflash - Direct Mail VAT Bombshell"

 **Office of the Inspector General:** Competition Advocate. "The U.S. Postal Service established the competition advocate (advocate) on January 28, 2011. The advocate promotes competition by helping contracting officials develop effective ways to obtain best value in contracting and issuing an annual report on noncompetitive purchase activity. The advocate must review noncompetitive requests for contractual actions (steps to create or modify a contract) greater than \$1 million. The advocate does not approve or deny noncompetitive purchases but offers feedback to contracting officers (CO) on how to increase competition, including how to transition work to internal resources and research potential suppliers. COs are supposed to consider this feedback when evaluating whether the Postal Service should compete a contract. The advocate does not decide appeals by contractors . . . We recommended management develop metrics to gauge the impact of the advocate, reiterate the requirement to obtain the advocate's review of applicable requests, and establish a process to verify that the advocate reviewed all applicable noncompetitive actions. We also recommended management clarify how COs should address the advocate's feedback."

 **Barron's:** TNT Express, one of Europe's biggest parcel-delivery companies, has fumbled in delivering for shareholders. Its prospects could worsen as competition intensifies and management struggles to implement its latest

strategic plan—the third in the past two years. In Europe, which contributes about half of annual revenue, the company's orange-and-white vehicles connect more than 40 countries by road from 19 hubs and 550 depots. TNT appears to have lost its way since its planned sale to UPS came unglued. A more robust European economy would go a long way toward helping TNT get back on track and achieve its profit goals. Absent that, and a sharper strategy, the company could deliver more losses for investors.



From the Federal Register:

Postal Regulatory Commission	
NOTICES	
New Postal Products ,	
48776–48777 [2014–19422]	[TEXT] [PDF]
48777 [2014–19423]	[TEXT] [PDF]
Postal Service	
PROPOSED RULES	
Standards to Enhance Business Reply Mail Visibility ,	
48717–48719 [2014–19433]	[TEXT] [PDF]



DMM Advisory: **IMb™ Services Update**

- **PostalOne!® Release 38.0.0 and Release 38.1.0 Deployment** — will require an extended maintenance window to complete all software updates. There will be a PostalOne! outage from 12 midnight through 9 a.m. CDT, on Sunday, August 24, 2014. A mandatory Mail.dat® client download will be available immediately following the software update. Release notes for PostalOne! Release 38.0.0 and Release 38.1.0 can be found on RIBBS by clicking on Major/Minor Release Schedule/ 2014 Releases in the left-hand navigation bar or by going directly to RIBBS.
- **PostalOne! Release 38.0.0 and Release 38.1.0 Deployment to Test Environment for Mailers (TEM)** — will occur on Monday, August 25, 2014, and PostalOne! TEM will be unavailable from 6 a.m. through 3 p.m. CDT.
- **PostalOne! Release 38.0.0 Mailer Webinars** – Webinars will be held for mailers to learn about the PostalOne! Release 38.0 updates to functionality, as well as pricing and postage statement changes. The schedule and topic for the webinars is shown below. Log on to RIBBS/Intelligent Mail Services/Education for additional webinar information.
- **PostalOne! Release 38.0.0 Business Related Changes** – this webinar will cover changes to PostalOne! functionality and postage statement and price changes · Friday, August 22, 2014 from 1 p.m. to 3 p.m. EDT Meeting Number: 748 335 429 Log on: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=748335429>
- **PostalOne! Release 38.0.0 FAST®, Mail.dat® and Mail.XML™** – this webinar will review changes to the Facility Access and Shipment Tracking (FAST) system and updates on Mail.dat and Mail.XML. · Wednesday, August 27, 2014 from 10 a.m. to 11 a.m. EDT Meeting Number: 744 206 784 Log On: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=744206784>
- **PostalOne! Release 38.0.0 Full-Service Intelligent Mail and Seamless Acceptance** – this webinar will provide a review of the programs, timeline of upcoming enhancements, and Release 38 enhancements to program elements such as the Mailer Scorecard. · Thursday, August 28, 2014 from 3 p.m. to 5 p.m. EDT Meeting Number: 747 170 710 Log On: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=747170710>
- **PostalOne! Release 38.0.0 eInduction** – for mailers who participate in eInduction, this webinar will cover upcoming changes with Release 38.0.0. · Wednesday, September 3, 2014 from 3 p.m. to 4 p.m. EDT Meeting Number: 740 374 710 Log on: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=740374710>
- **Program Registration Release 11.0** — will be deployed to Production from 12 midnight to 9 a.m. CDT on Sunday, August 24, 2014. There will be an outage and the application will be unavailable during that time.

August 15, 2014




At the Postal Regulatory Commission:

- **Docket No. CP2014-55 -- Order Approving Changes In Rates Of General Applicability For Priority Mail**


"The Commission has reviewed the Notice, including materials filed under seal, and the comments. Planned rate changes for competitive products are reviewed pursuant to 39 U.S.C. § 3633(a) and Commission regulations under 39 C.F.R. part 3015. These statutory and regulatory provisions require each competitive product to cover its attributable costs (39 U.S.C. § 3633(a)(2)), prohibit the subsidization of competitive products by market dominant products (39 U.S.C. § 3633(a)(1)), and require that competitive products collectively make an appropriate contribution to the recovery of the Postal Service's total institutional costs (39 U.S.C. § 3633(a)(3)) . . . The Commission finds that after the proposed rate adjustment, Priority Mail is expected to continue to cover its attributable costs. In addition, with this price change competitive products as a whole are expected to generate enough revenue to contribute more than 5.5 percent to the institutional costs of the Postal Service. See 39 C.F.R. § 3015.7(c). Finally, the Commission finds that the proposed rate changes will not result in market dominant products subsidizing competitive products."


- Position Available -- Position Title: Attorney Advisor Grade: Prc-5/6 Salary Range: \$82,406–\$157,055 Location: Postal Regulatory Commission Office Of The General Counsel 901 New York Avenue, NW, Suite 200 Washington, DC 20268-0001 Security Clearance: Public Trust Background Investigation

 Wall Street Journal: The U.S. economy is confronting a number of serious challenges as it transitions from the industrial to the digital age. Two in particular have commanded our attention in the recent past: job creation, especially the kind of mid-wage, mid-skills jobs that've been particularly hard hit by technology and globalization; and the rising financial inequality between the rich and super rich—the 1% and 0.1%— and everybody else. The economic challenge of the future will not be producing enough. It will be providing enough good jobs. The challenge for economic policy will increasingly be generating enough work for all who need work for income, purchasing power and dignity. What will this require? The role of government was transformed to meet the needs of an industrial age by Gladstone, Bismarck and the two Roosevelts. We will need their equivalent if we are to meet the needs of the information age.



WHIO: USPS, Troy Police and the Miami County Sheriff's Office participated in a controlled delivery at two homes Thursday, resulting in three arrests. The U.S. Postal Service made deliveries to two homes in Miami County Thursday, and each package contained over six pounds of marijuana, officials said. As a result of the controlled delivery, a search warrant was executed at a home on East State Route 41 near Troy, where a 5 foot tall, 500 pound safe was confiscated. A locksmith opened the safe today and found \$40,000-\$60,000 inside, as well as other drugs and firearms.

 Wall Street Journal: The number of letters delivered by German mailing group Deutsche Pos has been on a downtrend for years due to Internet-based alternatives for communication. But half a year after Facebook Inc. agreed to acquire WhatsApp for \$19 billion, the former state monopoly, now a private company, has entered the market with the launch of its own free messaging app, SIMSme. SIMSme's advantage: Messages are safe from snooping, the company says. "All messages are automatically encrypted by the sender and can only be decrypted by the recipient," said Deutsche Post. The app is likely benefiting from the revelations about alleged U.S. wiretapping on Germans, said company spokesman Alexander Edenhofer. "I think that all the discussions about NSA and Snowden have stirred worries in the population and there's demand for a secure messenger," he said. Deutsche Post stressed that the messenger's servers are located in Germany to ensure compliance with the country's data privacy laws.

 Linn's: A \$1 billion profit, or a \$4.2 billion loss? The United States Postal Service said Aug. 11 it lost the larger sum in the three fiscal quarters that ended June 30, but a postal labor union countered that the government's mail

operation actually shows a \$1 billion operating profit. The disparity between the numbers cited by Postmaster General Patrick Donahoe and Fredric Rolando, president of the National Association of Letter Carriers, is more than an accounting dispute. It might underline why Congress is seemingly unwilling to address the Postal Service's continuing financial crisis. Democrats and postal union leaders are saying that there is good news for the future of the USPS in the latest financial reports. Republicans and USPS executives tend to say the Postal Service remains in serious financial difficulty. In their view, the Postal Service must face more deep cuts to save it from even greater massive deficits. Both sides in the accounting debate did seem to agree on some of the details.



Office of the Inspector General: Geo-Fence Technology in Delivery Operations -- What the OIG Found

"The Postal Service's planned use of geo-fence technology in the delivery environment is a proactive way to increase carrier visibility to aid street management. However, we identified an inaccuracy in the Delivery Management System. Specifically, projected scan times are not adjusted for authorized route deviations when carriers are assigned deliveries on portions of additional routes. This occurs because the Postal Service has not updated the Delivery Management System for these authorized route deviations. Management planned to address this scan variance issue in April 2014; but, as of June 2014, had not finalized the adjustments. Inaccurate scan variance data may cause supervisors to react to carrier delays that are actually justified based on their daily delivery assignment."



Attention Postal One! Users: Program Registration Release 11.0.0.0 will be deployed to

Production from 00:00 am (Midnight) to 9:00 am CDT on Sunday, August 24, 2014. There will be an outage and the Online Enrollment and Incentive **Programs will be unavailable during that time.**


Triangle Business Journal: Postal reform still sits in Congress' dead letter office, but politicians are doing something to keep the U.S. Postal Service afloat: They're spending millions of dollars on direct mail this election. The Center for Responsive Politics reports the postal service has been paid \$17.5 million so far this election cycle for delivering political direct-mail pieces, ranking it No. 4 on the center's list of political vendors. This revenue won't close the postal service's fiscal gap — it lost \$2 billion last quarter — but every little bit helps.

Postal Technology International: Royal Mail has announced that a further 2,000 postboxes will be added to the existing 115,300 in service, reaffirming its commitment to delivery services throughout the UK. The new boxes will be predominantly located in rural areas of Scotland and Northern Ireland as well as any new developments currently without a postbox. Even before these new installations come into service, the UK already has the highest geographic density of postboxes in Europe.

JSspaceNews: Following up on reports from around the country that some local post offices are refusing to accept mail to Israel, the Anti-Defamation League (ADL) is urging the U.S. Postmaster General to take prompt action to ensure that offices in all 50 states accept and process packages and letters destined for Israel.

Bloomberg: The South African Reserve Bank is considering an application by the state-owned Postbank to allow it to lend, fulfilling a government pledge to use its 1,500 outlets to give poor and rural communities access to credit. President Jacob Zuma has pledged to support small businesses with better access to credit as he tries to spur activity in an economy that contracted in the first quarter and has a 25.5 percent jobless rate. Established banks such as Standard Bank Group Ltd. and Barclays Africa Group Ltd. do too little to lend to new entrants into the market, senior ruling party officials including Tito Mboweni, the former central bank governor, have said. It has taken about a decade to ready Postbank, a unit of the national Post Office, to apply for the license. It will allow it to provide financial services beyond the transactional, savings and investment accounts it currently offers. The bank has used the time to build up reserves from which it can lend to about 1.7 billion rand (\$161 million), which will allow it start its lending operations.

Associated Press: In a story Aug. 11 about U.S. Postal Service Revenues, The Associated Press reported erroneously that the agency blamed its \$2 billion loss for the quarter ending June 30 on increases in compensation and benefit costs. Although those costs did increase slightly, the overall loss reflected the agency spending \$18.4 billion in operating costs against revenues of \$16.5 billion.

 Postalnews.com: The Postal Service is embracing electronic commerce and new technology to better serve today's customers, Chief Information Officer Jim Cochrane said during an interview at the HP Vertica Big Data Conference in Boston this week. Cochrane said the Postal Service's network offers advantages that appeal to online retailers like Amazon. The Postal Service uses Mobile Delivery Devices and other technology to provide up-to-the-minute tracking.



The latest issue of the PostCom Bulletin is available online. In this issue:

- The U.S. Postal Service ended the June 30, 2014, quarter with a net loss of \$2.0 billion, compared to a net loss of \$740 million for the same period last year. The Postal Service has recorded a loss in 21 of the last 23 quarters, the excepted quarters being the two in which Congress rescheduled the Retiree Health Benefits prefunding payments.
- Senate Committee on Homeland Security and Government Affairs Chairman Carper, House Committee on Oversight and Government Reform Chairman Issa, the National Association of Letter Carriers, and the APWU all comment on the USPS' third quarter financial results.
- The Postal Service published its unaudited June results with the Postal Regulatory Commission. USPS lost \$712 million in June 2014. The Postal Service's controllable operating loss for the month was \$159 million. The USPS shows a year-to-date net loss of \$4.2 billion, yet when you look at the controllable income for the same time frame, it shows a controllable operating income of \$1.1 billion. The difference between the bottom line and the controllable income comes from the \$4.3 billion line item for prefunding its retiree health benefits and \$911 million of a non-cash adjustments for Workers Compensation.
- USPS this week offered a series of webinars to bring industry representatives up to date on issues to be discussed at next week's MTAC meetings. The August 13, 2014, USPS webinar focused on the USPS' "roadmap" of IMb Full-Service requirements and changes to come as well as eInduction and Seamless Acceptance. USPS Vice President of Business Mail Entry and Payment Technologies Pritha Mehra said the USPS will be posting more detailed information on the roadmap on its RIBBS web site within the next two weeks, as well as updating some of its Intelligent Mail guides and documents.
- The USPS this week offered a series of webinars to bring industry representatives up to date on issues to be discussed at next week's MTAC meetings. The Mail Preparation and Entry webinar on August 14, 2014, included updates on a wide variety of topics typically discussed at the MTAC meeting. The USPS said the presentation will be posted on its RIBBS web site. PostCom's highlights are provided below.
- The USPS this week offered a series of webinars to bring industry representatives up to date on issues to be discussed at next week's MTAC meetings. The August 12, 2014, USPS webinar focused on IMpb (Intelligent Mail package barcode) issues and changes to come.
- Stop Postal Service cuts, Vermont Senators say. USPS competes for package delivery business on the backs of American letter writers. Issa says USPS needs 'right-sizing,' not bailout. Exigency pays off for USPS in Q3. Global parcel industry in 'space race' to price parcels by volume. Digital editions up slightly at U.S. magazines. Political direct mail at \$150 million for 2014 election cycle to date. PostCom's newest member.
- Announcements concerning the Domestic Mail Manual and USPS industry alerts.
- This week's listing of postal notices in the Federal Register.
- Announcements on recent reports, projects, and blog entries of the USPS OIG.
- International postal news.
- Postal previews.

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



The PostCom Bulletin is distributed via NetGram

From the Federal Register:



Postal Regulatory Commission	
NOTICES	
New Postal Products ,	
48257–48258 [2014–19304]	[TEXT] [PDF]
Postal Service	
NOTICES	
International Product Changes:	
Global Reseller Expedited Package Contracts 4 ,	
48258 [2014–19328]	[TEXT] [PDF]

Washington Examiner: It's not surprising that the role of mail has diminished significantly in America, as the Internet has steadily undermined the Postal Service's business model, including its monopoly on first-class delivery. According to Postal Service statistics, first-class mail volume is down 32 percent since 2004. Total volume is down 23 percent. But the Postal Service remains unmanageable chiefly thanks to Democrats in Congress. They oppose both Obama's and the Republicans' plans, which would allow the Postal Service to manage its business properly. They have vigorously fought attempts to cancel Saturday delivery, which is expensive and less necessary than ever before. Members of Congress are even more hostile toward closing underused post offices, even though office visits are down 19 percent since 2004 and millions of customers now only access USPS online. Twenty-two senators, nearly all Democrats, recently signed a letter opposing even consolidation of mail-processing facilities. Politicians are treating the Postal Service as if it were a pork project, forcing continued poor management practices while pandering to a union that wants it both ways. Union leaders want their members' health care to be paid for in retirement, but they don't want the Postal Service to have to fund their health care obligations. Instead of pandering to unions and cynically working to make a bailout inevitable, Democrats in Congress should stop obstructing and start listening to Obama and Republicans on this issue. If the opponents of reform will do that, there can be an economically viable future for the Postal Service.

Telecompaper: The Brazilian postal service Correios do Brasil and its Italian counterpart Poste Italiane expect to launch a MVNO in Brazil in the first half of 2015, Teletime reports, citing Correios do Brasil VP for infrastructure and IT Antônio Luiz Fuschino. According to the report, in the first half of September, the association of the two companies will be completed. Grupo Poste Italiana will own 50 percent plus one share of the MVNO. The launch of service will require a total investment of BRL 150 million. The MVNO still need to request a license to the country's telecoms regulator Anatel in order to launch the commercial operation. The report also states the MVNO did not yet select the mobile operator which will provide the network infrastructure.

The Columbus Dispatch: The Postal Service continued to bleed money during its second quarter, **despite an increase in package revenue and an emergency price hike that took effect in January.**

FCW: It's amazing what a little destruction can accomplish. The onset of the digital age, evolution in the way mail is delivered and budgetary constraints have combined to create a perfect fiscal storm at the U.S. Postal Service. And Inspector General David Williams is in the eye of it. "IG's involvement with the digital age might be more dramatic at the USPS because it has been hit with such creative destruction," Williams said. "But it's the job of the IG to try and find a way forward, and the fact that the postal service is in this radical transformation puts the IG here in a different spot."



Attention Postal One! Users:

- **PostalOne! Release 38.0.0 Mailer Webinars** – Webinars will be held for mailers to learn about the PostalOne! Release 38.0 updates to functionality, as well as, pricing and postage statement changes. The schedule and topic for the webinars is shown below. Log on to RIBBS/Intelligent Mail Services/Education for additional webinar information.
- **PostalOne! Release 38.0.0 Business Related Changes** – this webinar will cover changes to PostalOne! functionality and postage statement and price changes · Friday, August 22, 2014 from 1:00 pm to 3:00 pm eastern Meeting Number: 748 335 429 Log on: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=748335429>
- **PostalOne! Release 38.0.0 FAST®, Mail.dat® and Mail.XML™**– this webinar will review changes to the Facility Access and Shipment Tracking (FAST) system and updates on Mail.dat and Mail.XML. · Wednesday, August 27, 2014 from 10:00 am to 11:00 am eastern Meeting Number: 744 206 784 Log On: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=744206784>
- **PostalOne! Release 38.0.0 Full-Service Intelligent Mail and Seamless Acceptance-** this webinar will provide a review of the programs, the timeline of upcoming enhancements and Release 38 enhancements to program elements such as the Mailer Scorecard · Thursday, August 28, 2014 from 3:00 to 5:00 pm eastern Meeting Number: 747 170 710 Log On: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=747170710>
- **PostalOne! Release 38.0.0 eInduction** - for mailers who participate in eInduction, this webinar will cover upcoming changes with Release 38.0.0. · Wednesday, September 3, 2014 from 3:00 pm to 4:00 pm eastern Meeting Number: 740 374 710 Log on: <https://uspsmeetings.webex.com/uspsmeetings/j.php?J=740374710>



At the Postal Regulatory Commission:

Ruth Y. Goldway Chairman -- "This winter, the Commission conducted two major proceedings simultaneously. On March 27th, the Postal Regulatory Commission published the seventh **Annual Compliance Determination**. Our ACD provides specific direction to the Postal Service in a number of important compliance areas. The same week, the Commission issued an Advisory Opinion analyzing the Postal Service's **Load Leveling Plan**. This Advisory Opinion, like the ACD, was completed in 90 days or less. I encourage you to review these two documents, both available on the PRC website. Also published on the Commission's website is **a report completed by Swiss Economics, including a model of city carrier delivery** analyzing how changes in delivery frequency or delivery type would affect postal finances and operations. The model could provide a better estimate of the cost of the Universal Service Obligation and the value of the letter and mailbox monopolies. It may be used to evaluate economies of scale, density and scope in delivery, as well as the cost structure of mail and package delivery under a variety of circumstances. Your detailed comments and assessment of this study would be most welcome."


- RM2014-5 PRC-LR-RM2014-5/2 - List of files for the Technical Conference, August 13, 2014
http://www.prc.gov/docs/90/90184/PRC-LR-RM2014-5-2_Tech%20Conf%20Files.zip
<http://www.prc.gov/docs/90/90184/Preface.docx>
- RM2014-5 Notice of Filing of Library Reference PRC-LR-RM2014-5/2
http://www.prc.gov/docs/90/90183/Notice_of_Library_Reference_2_081414.doc
http://www.prc.gov/docs/90/90183/Notice_of_Library_Reference_2_081414.pdf
- Audio of Technical Conference on Postal Elasticities (RM2014-5)
http://www.prc.gov/prc-docs/home/whatsnew/Technical_Conference_D_RM2014-5.mp3

August 14, 2014


INDUSTRYALERT *USPS 2014 Mail Drives Mobile Commerce Promotion Webinar Wednesday, August 27, 2014*


3:00 p.m. EST Pre-registration is required - lines are limited so please sign up today! The USPS Mailing Services team will present an informative webinar about the 2014 Mail Drives Mobile Commerce Promotion. Interested mailers and mail service providers should plan to attend to learn about ways to enhance the value of direct mail, and keeping mail as part of their multi-channel marketing mix. Mailers have the opportunity to earn a 2%


discount on eligible postage and an opportunity for a 1% discount for packages shipped via USPS Priority Mail. Please join us on Wednesday, August 27th at 3:00 p.m. to learn more about the program and registration requirements. Click here to register for the webinar or go to <https://uspsmeetings.webex.com/uspsmeetings/j.php?ED=274655797&UID=3882148&RT=MiMxMQ==>. More information and a full description of the Mail Drives Mobile Commerce Promotion can be found on USPS.com at: <https://www.usps.com/business/promotions-and-incentives.htm>

 VT Digger: U.S. Sen. Bernie Sanders (I-Vt.) organized an effort joined by 49 other U.S. senators who called today for a one-year moratorium on plans by the U.S. Postal Service to close mail processing plants and slow first-class mail delivery. The senators said Congress should block a proposal by Postmaster General Patrick Donahoe to close up to 82 mail processing plants, slow mail service and eliminate up to 15,000 jobs. Their letter sent today urged leaders of a key Senate committee to include a ban on mail delivery cuts as part of must-pass legislation to keep the government running into the new fiscal year that begins Oct. 1. The letter was drafted and circulated by Sanders, Jon Tester (D-Mont.) and Tammy Baldwin (D-Wis.). See also the Wall Street Journal.


"The United States Postal Service (USPS) is facing many serious challenges. While a number of reform proposals have been introduced in both the Senate and the House to tackle these problems over the past several years, we have yet to enact legislation. In the absence of Congressional compromise, the Postal Service has proposed more sweeping changes to its operations. The Postmaster General has announced that the Postal Service will consolidate up to 82 more mail processing facilities and eliminate up to 15,000 more jobs in 2015. This wave of closures will directly impact 37 states across our nation, and more importantly, the citizens who count on their Postal Service to be reliable. At a time when our middle-class is disappearing, the loss of 15,000 good-paying Postal Service jobs will harm our local communities and economies. The Postal Service has already consolidated 141 mail processing facilities since 2012. As the postal network has been weakened, service delivery has suffered. Since the Postal Service slowed down the delivery of First-Class Mail over two years ago by revising its service standards, it has been more difficult for the American public and small businesses to receive mail in a timely manner. Slowing down mail delivery even further will hurt senior citizens on fixed incomes, small businesses and the entire economy. To address this immediate problem, we respectfully request that you include language in any omnibus appropriations legislation or continuing resolution that would prevent the USPS from closing or consolidating any more area mail processing facilities during Fiscal Year 2015."


 The Hill: House Democrats are frustrated with what they say is a lack of election-year communication from the White House. Some are scratching their heads why, after nearly six years in office and a reshuffling of his legislative affairs team, Obama's working relationship with Congress remains prickly. It's one of Washington's worst-kept secrets that many Democrats have, for years, been frustrated by what they consider a lackluster communications operation between Obama and his allies on Capitol Hill.


 Wall Street Journal: The euro-zone economy stalled last quarter after 12 months of weak growth, with German output falling more than expected, underscoring concerns that the region is mired in a deep rut of high joblessness and weak consumer prices that could worsen amid tension in Ukraine and the Middle East. Gross domestic product in the 18-member currency bloc was flat in the second quarter compared with the first, the European Union's statistics office said Thursday. That translated into 0.2% growth in annualized terms, down from the first quarter's 0.8% pace.


 Wall Street Journal: A standstill in the nation's retail sector in July showed the U.S. economy struggling to lift off as improvement in the labor market fails to deliver stronger wage and spending growth. Consumer spending drives the U.S. economy, accounting for more than two-thirds of output. But sales growth at stores and restaurants has slowed since the spring, when retailers benefited from a burst of demand that was pent up during an unusually harsh winter across much of the country. The deceleration in spending is at odds with strong hiring by U.S. firms, which added jobs over the past six months at the fastest pace since 2006. As more Americans find work and begin collecting paychecks, consumer spending should gain traction. But those paychecks aren't growing very quickly.


Average hourly earnings rose 2% in July from a year earlier, stuck in the slow trend of recent years and in line with overall inflation in recent months, according to Labor Department data.


 **The Toronto Star:** Canada Post may require a doctor's note for any customers who say they can't make their way to a community mailbox as the post office phases out door-to-door home delivery.

 **Gigaom:** Deutsche Post, known internationally as delivery firm DHL, launched a free messenger app called SIMSme on Wednesday, promising end-to-end encryption with passphrases left in the user's hands. According to the firm, all data is stored on German servers as it passes between users, and is deleted as soon as messages are delivered. The app is quite comprehensive, featuring group chat and location sharing. What's more, those willing to pony up 89 euro cents (\$1.19) can add a self-destruct function for very sensitive messages and photos, effectively making SIMSme a Snapchat alternative of sorts. The first million users will get this feature for free.


 **Reuters:** After years of waiting, United Parcel Service Inc (UPS) and FedEx Corp have received licenses in China to extend domestic express package services to Beijing and other cities without needing joint-venture partners. The U.S. companies had been waiting for permission to independently courier packages from businesses to consumers (B2C) via their entire Chinese networks, since a 2009 postal law largely restricted foreign firms to delivering packages from abroad.


 **Post & Parcel:** The national postal operator in Lithuania will use the 8,300 square metre facility with its parcel service subsidiary Baltic Post. The new facility is expected to increase the Post's capacity for handling mail and parcels by 10 times, with the number of loading docks also increasing 10-fold, including a 15-fold increase in docking positions for domestic courier transport. It will process items sent through both post offices and couriers. Couriers will be able to process more than 7,000 items an hour, compared to the current 450, the firm said.


 **Office of the Inspector General:** Seamless Entry Score Card. Seamless Acceptance and eInduction are two processes currently being implemented by the Postal Service. These processes are expected to automate mail verification by comparing system data to electronic documentation at induction and as mail flows through automated processing equipment. They leverage full-service Intelligent Mail barcodes on mailpieces, handling units, and containers, and electronic documentation. In addition, these processes use sample scanning at induction and on mail processing equipment scans to evaluate mail quality, payment, and location. The Postal Service is implementing these processes to increase the efficiency and effectiveness of mail verification and to automate the mail acceptance process. So, what do you think? We would love to hear from you.


 **The Jerusalem Post:** A number of local post offices in the United States have recently told customers that they are not accepting mail for delivery to Israel due to the conflict with Gaza, the Anti Defamation League reported on Thursday. The ADL has received complaints in recent days that local post offices in Massachusetts, Michigan and New Jersey were refusing to send mail to the Jewish state.


August 13 2014


 **PC World:** Throughout Japan, an army of workers stands ready to ensure important messages are delivered as quickly as possible. But they don't work in data centers maintaining email servers. They deliver telegrams. Staff from Nippon Telegraph and Telephone Corporation (NTT), one of the world's largest telecom companies, still drive around big cities and even board ships to remote Japanese islands hand-delivering telegrams from friends, loved ones and business partners. The couriers are continuing a 145-year-old tradition, from 1869, when a government agency that preceded NTT began telegraphy services between Tokyo and the port of Yokohama. Japan is one of the last countries in the world where telegrams are still widely used.

 **Live-PR:** The UK Postal and Courier Activities industry collects, sorts, transport and delivers letters and parcels. Service segments include the distribution of advertising material, publications, personal letters, transactional mail and parcels. The industry also includes post delivered by Royal Mail under the universal service obligation (USO). The UK Postal and Courier Activities industry has thrived since the liberalisation of the UK postal market in 2006 allowed a wide variety of services to compete with the Royal Mail.


 Wall Street Journal: As of January 1, 2015, Itella Corporation will change its company name to Posti Group Corporation. In the future, Posti will serve both consumer and business customers under one service brand. The change will further improve customer experience and clarify the company's identity as a Finnish postal, logistics and eCommerce services. Today, Itella operates in Finland under the name Posti for consumer customers and under the name Itella for business customers. As of next year, Posti will become the only brand of the company and serve both consumer and business customers. Changing the name is part of the company's new Vision, reaching all the way to 2020. The new name will strengthen the Group's identity as a postal, logistics and eCommerce service provider. The Group's mail and logistics operations will focus on serving Finland and neighboring markets.

 ACTMedia: The Romanian Postal Service will begin a European promotion tour at the end of August or early in September, to continue talks with potential investors. The Romanian Postal Service is one of the most attracting financial opportunities of privatization right now on the European mail and courier market.

 Daily Mirror: Consumers could pay their utility bills to the postman when he comes to deliver your mail from September 1, Postmaster General D.L.P. Rohana Abeyaratne said. "Cabinet approval has been granted to increase the amount of money a postman could hold during his hours of duty to Rs.20,000," he said and added that this would authorise postmen to accept cash for payments of utility bills such as electricity and telephone and insurance." Mr. Abeyaratne said the Postal Department was discussing with the National Water Supply and Drainage Board with regard to the payment of water bills.

 Financial Times: Online retailing and business-to-business ordering are driving up traffic volumes for both UPS and FedEx but also making flows harder to predict. UPS is improving its management systems and investing \$500m in extra capital spending this year to boost capacity.

August 12, 2014


 Lexington Institute: The USPS is seeking to stop its financial hemorrhaging by increasing its share of the lucrative and growing package delivery business. Postal Service officials have declared this, and not improving mail service to its captive monopoly customers, to be their highest priority. Not only does the USPS retain its monopoly over First Class mail, it also has the freedom to compete with private companies for the movement and delivery of packages and other items. If the playing field were level, this might be okay, although it just doesn't seem right to have a government-created entity involved in businesses that companies such as FedEx and UPS have demonstrated they do very well. But the playing field is not even. The USPS is using its monopoly over First Class mail to subsidize its package delivery business. For example, the price of a stamp increased by 6 percent this past January while that for packages only went up by 2.4 percent. This means that the average American who mails a letter is getting taxed so that the USPS can lower the cost of its package delivery activities, thereby competing more effectively against the private delivery companies. Yesterday's Wall Street Journal carried an article reporting that UPS and FedEx were increasing their use of USPS delivery services because the prices they were charged were so low. How is this possible? Because the USPS is undercharging for package delivery so as to increase its volume and market share and overcharging letter writers to cover institutional costs. Not only do those who use USPS mail delivery services pay too much, they have to tolerate declining quality of service.

INDUSTRYALERT


**A memo from Consumer & Industry Affairs, James Nemeec
announcing the selection of Judy de Torok as Manager, Industry Engagement & Outreach.**


"Judy has been detailed to this position since April. She has promoted the value of mail by forging partnerships with customers and industry mailing associations, and has helped to resolve customer problems and concerns. Judy joined Consumer & Industry Affairs in the midst of several challenging industry issues and has assisted in the development of strategic messages, and communication plans and briefings to communicate Postal Service objectives and goals to key stakeholders. Prior to this position, Judy served as the Chief of Staff to Deputy Postmaster General Stroman and was also the Acting Vice President, Corporate Communications – two critical Postal Service positions in which she gained experience that will be extremely beneficial as she continues


to work with our stakeholders, customers and the mailing industry. Judy also brings nearly twenty years of Communications, Government Relations, and Public Policy experience to the position. Prior to joining the Postal Service, Judy worked as a journalist for daily and weekly newspapers, a public relations executive for an advertising agency and a public relations executive for a Community College. These experiences also add to her portfolio in being able to connect with our customers, particularly our industry association members. "


 Office of the Inspector General: Job Title:Deputy Audit Director/Deputy Audit Evaluator Director - Human Resources and Support Agency:Office of the Inspector General, USPS Job Announcement Number:2014-76-1184162-KC SALARY RANGE: \$124,995.00 to \$157,100.00 / Per Year OPEN PERIOD: Friday, August 8, 2014 to Thursday, August 14, 2014 SERIES & GRADE: GG-0501/0511-00 POSITION INFORMATION: Full Time - Excepted Service Permanent DUTY LOCATIONS: 1 vacancy in the following location: Arlington, VA View Map WHO MAY APPLY: United States Citizens SECURITY CLEARANCE: Top Secret


 **PostCom welcomes its newest member: Progressive Insurance** 300 N. Commons Boulevard Mayfield Village, Ohio 44143 represented by **David Marinelli** Process Consultant External Communications


 Tamebay: eBay have at last announced that their Global Shipping Program is to be made available from September. This is a new way for sellers who don't currently offer International Shipping to appeal to new buyers from overseas. eBay will start to opt eligible listings into the new program and display them to overseas buyers from September. eBay will let you know when your listings are included in the program. For those not familiar with the Global Shipping program, eBay started running a pilot program in the UK back in 2012. The program has been live in the US for several years. Basically when an international buyer makes a purchase, you the seller ship to eBay's UK hub and from then on they take responsibility for delivering the parcel overseas including all customs, duty and tracking. The only change that you as a seller will notice will be a reference number included in the address so that eBay's shipping centre can identify your parcel.


 **Office of the Inspector General:** The Postal Service, E-Government, and You Say you're about to drive off for vacation in less than 48 hours, but you suddenly realize your license has expired. The nearest DMV office is 15 miles away, the waiting line probably just as long, and there's just too much else to do to get ready. But imagine now that you can go to your local Post Office, which can handle the renewal right there and then.


 The latest issue of Postal Technology International is now available online.


 ISPreview: A new Royal Mail commissioned study of 1,412 adults in Britain with access to "superfast broadband", and 1,710 adults with no superfast service, has discovered that having faster connectivity boosts online sales and this equates to an increase in spending of 3.1% (around £23 a year) per superfast broadband user.


 Santa Clara Signal: Just saw a news report on Channel 7 about the United States Postal Service immortalizing the late Janis Joplin by putting her picture on a stamp. What in the heck were they thinking? With all of the military heroes and great citizens and leaders in our nation, they pick a junkie, a heroin addict, to immortalize and praise? That is just one of the many reasons that the morality of our nation has gone/is going to hell in a hand basket. What does this tell the youth of our country? Play the guitar, use heroin and become a star and a junkie and they will praise you with awards and a stamp by the U.S Postal Service? Or just be a junkie and you can be a hero of the year or a poster child for the USPS. The Postal Service deserves to go bankrupt with this kind of thinking.

 BusinessWire: FedEx Office ® and DeskNet announced today a combination of the power and flexibility of FedEx Office's national printing network with the ease-of-use and compliance controls of DeskNet's ContentWelder™ Global Document Portal. This business and technology collaboration offers enterprise customers a single point of access for managing their customer-facing print and electronic communications, while helping ensure brand and legal compliance.

 **Financial Post:** Delivering packages on time will become an even more important proposition for Cargojet as it prepares for a massive new seven-year contract with Canada Post that will nearly double the size of the company.

 **Times of San Diego:** Rep. Darrell Issa said Monday the money-losing U.S. Postal Service needs to be "right-sized" instead of receiving another federal bailout.

 **Politico:** A Politico review shows that the Obama administration has hired about 70 previously registered corporate, trade association and for-hire lobbyists. And many of these former lobbyists work at the highest levels of government. When he ran for president, Obama vowed lobbyists would not find a place in his White House. "I am in this race to tell the corporate lobbyists that their days of setting the agenda in Washington are over," Obama said in a 2007 Iowa speech. As president, Obama signed an order the White House said "closes the revolving door that allows government officials to move to and from private sector jobs in ways that give that sector undue influence over government." The revolving door also means that having put in their time, at least two dozen Obama administration veterans can be found all over town in advocacy, strategy or consulting gigs.

 **24/7 Wall St.:** The U.S. Postal Service ended the June 30, 2014 quarter with a net loss of \$2.0 billion. This compares to a net loss of \$740 million for the same quarter in 2013. The Postal Service has recorded a loss in 21 of its last 23 quarters. Despite an increase in revenue by 2%, the increase in expenses greatly outweighed the positive.

INDUSTRY ALERT Updates to L007 Labeling List. Errors were found within the L007 (5-Digit Scheme - Periodicals, Standard Mail, and Package Services Flats in Bundles) list that was published on 8/1/2014 for the 9/1/2014 effective date. New labeling list files will be posted on the Electronic Product Fulfillment (EPF) website on Monday, August 11, 2014. The changes between the original list (published on 8/1) and the new list (published on 8/11) can be found on this site.



National Association of Letter Carriers: Statement from National Association of Letter Carriers President Fredric V. Rolando, on today's U.S. Postal Service report for the third quarter of Fiscal Year 2014:

"The figures released today by the Postal Service show an operating profit of slightly more than \$1 billion for the first three quarters of Fiscal Year 2014, continuing the operating profitability that began in October 2012. The third quarter saw mail revenue increase by \$424 million. This performance is driven by two underlying trends. As the economy improves, letter mail revenue is growing. And as more people shop online, package revenue is skyrocketing. The Internet is now a net positive for USPS, auguring well for the future as e-commerce grows. In the third quarter, which the Postal Service's CFO called "a very good quarter in a lot of ways," package revenue rose 6.6 percent, standard mail revenue rose 5.1 percent and first-class mail revenue was up 3.2 percent. The red ink at USPS is attributable to non-mail factors—chiefly the 2006 congressional mandate that the Postal Service pre-fund future retiree health benefits, something no other public or private entity is required to do. That annual \$5.6 billion annual charge accounts for most of the "losses." The other factor this quarter was an adjustment in workers' compensation interest rates, which the CFO called "a technical fair-value adjustment' just on paper." Given the positive mail trends, it would be irresponsible to degrade services to Americans and their businesses, which would drive away mail—and revenue—and stop the postal turnaround in its tracks. Lawmakers need to preserve and strengthen the profitable postal networks—which are the future of the USPS as it increasingly delivers not just six but seven days a week—while fixing the pre-funding fiasco."

August 11, 2014




At the Postal Regulatory Commission:


- Quarterly Report on Form 10-Q "containing the information prescribed in Form 10-Q of the Securities and Exchange Commission." 39 U.S.C. ? 3654(a)(1)(A)
[http://www.prc.gov/docs/90/90139/Transmittal%20Letter%2010-Q%20\(08-11-14\).pdf](http://www.prc.gov/docs/90/90139/Transmittal%20Letter%2010-Q%20(08-11-14).pdf)
[http://www.prc.gov/docs/90/90139/USPS%20Form%2010-Q%20\(08%2011%2014\).pdf](http://www.prc.gov/docs/90/90139/USPS%20Form%2010-Q%20(08%2011%2014).pdf)

- National Trial Balance, June, 2014 (FY 2014); and Statement of Revenue and Expenses, June, 2014 (FY 2014)
http://www.prc.gov/docs/90/90159/Letter_NTB-SRE_June2014_20140811144856.pdf
[http://www.prc.gov/docs/90/90159/National%20Trial%20Balance%20-%20Redacted,%20%20June,%202014%20\(FY%202014\).xls](http://www.prc.gov/docs/90/90159/National%20Trial%20Balance%20-%20Redacted,%20%20June,%202014%20(FY%202014).xls)
[http://www.prc.gov/docs/90/90159/Statement of Revenue and Expenses - Redacted, June, 2014 \(FY 2014\).xls](http://www.prc.gov/docs/90/90159/Statement of Revenue and Expenses - Redacted, June, 2014 (FY 2014).xls)
- USPS Quarterly Service Performance Reports, Quarter 3, Fiscal Year 2014
http://www.prc.gov/docs/90/90162/Letter_QuartPerf_Q3FY14_20140811155504.pdf


 Today, Homeland Security and Governmental Affairs Committee Chairman Tom Carper (D-Del.) released the following reaction to the announcement that the U.S. Postal Service lost \$2 billion in the third quarter of fiscal year 2014:

"The U.S. Postal Service continues to suffer unsustainable losses that threaten its long-term viability. While the Postal Service showed a modest increase in revenue due to its growing package delivery service and an increase in mail prices, today's announcement that it lost \$2 billion in the third quarter of fiscal year 2014 makes it clear that this American institution remains locked in a downward financial spiral. It also underscores the urgent need for comprehensive postal reform – reform that can only come from Congress. Dr. Coburn and I introduced the Postal Reform Act of 2014, which passed out of Committee by a vote of 9 to 1 earlier this year. Our legislation is a bipartisan and balanced solution to the Postal Service's financial crisis that would prevent collapse, preserve key postal operations and service standards, protect millions of mailing industry jobs, and enable this critical institution to serve the American public for years to come. I urge my colleagues in the full Senate to take up our bipartisan, comprehensive bill and join our efforts to fix the serious, but solvable challenges facing the Postal Service."


 Direct Marketing Magazine: A 1% increase in Standard Mail volume for the quarter ended June 30 translated into a 5.1% gain in revenue, made possible by the 4.3% exigent rate increase installed in January. Even though First Class Mail declined by 1.4%, mail revenue increased by \$424 million under the new rate regime. It's a payday the Postal Service wants to keep on its calendar. "Much of the mail revenue stems from the price increase, which the Postal Regulatory Commission ruled should be terminated in 2015," CFO Joe Corbett said today in a conference call announcing the quarterly results. "We have appealed, but should the PRC prevail, it would be a deep loss for us."


 KSN: The U.S. Postal Service announced it has signed a lease for its newest Customer Care Center. The new call center will be housed in a 49,000 square-foot building at 4509 E. 47th St. South in Wichita. It will field calls from customers across the nation.


CENTER FOR RESEARCH IN REGULATED INDUSTRIES Call for papers for **CRRI's Postal Conference – Voulagmeni, Greece** June 3-6, 2015 Deadline for abstracts December 13, 2014
http://www.business.rutgers.edu/sites/default/files/user_files/crri/post/Call_for_Papers_PC_15.pdf
 Call for papers for **CRRI's Eastern Conference – Shawnee-on-Delaware**, May 13-15, 2015
 Deadline for abstracts January 5, 2015
http://www.business.rutgers.edu/sites/default/files/user_files/crri/ws/Call_for_Papers_ECWC_15.pdf


 **Office of the Inspector General:** Government as a Postal Customer and Partner: International Round Table Recap August 11, 2014 (RARC-IB-14-003-DR) The government services market presents tremendous opportunities for postal operators everywhere, including the U.S. Postal Service, to diversify business while continuing to fulfill their public service mission, according to a new paper issued by the Postal Service Office of Inspector General (OIG). Recently, OIG and the Postal Innovation Platform hosted a round table discussion among international experts, who noted that governments and postal operators could successfully partner in delivering a number of e-government services to more people. Examples include identification services, payments, document


certification and notarization, and management of electronic health records, among others that are recapped in the paper.

 **Multichannel Merchant:** "We're seeing momentum in our package business and continued use of direct mail as an advertising medium," said Postmaster General and Chief Executive Officer Patrick Donahoe in a press release. "We've been effective in developing and marketing our products, and we're improving how we leverage data and technology—all providing a higher return on mail for many customers and causing them to take a fresh look at the Postal Service." "Due to continued losses and low levels of liquidity, we've been extremely conservative with our capital, spending only what is deemed essential to maintain existing infrastructure," said Chief Financial Officer and Executive Vice President Joseph Corbett in a press release. "To continue to provide world-class service and remain competitive, we must invest up to \$10 billion to replace our aging vehicle fleet, purchase additional package sorting equipment, and make necessary upgrades to our infrastructure." Corbett also said that the USPS will be unable to make the required \$5.7 billion retiree health benefit prefunding payment to the U.S. Treasury, due by Sept. 30.

 **Post & Parcel:** Britain's Communication Workers Union demanded an urgent intervention from regulator Ofcom yesterday to protect the universal postal service. The union, which has been lobbying along with Royal Mail to have universal service-type standards imposed on rival TNT Post UK, said a new report from Ofcom revealing a "steep" decline in mail volumes in the UK showed the need for regulatory action. The figures revealed that addressed mail volumes dropped by 4.5% in 2013 compared to the year before. The 14.8bn addressed items mailed last year was 28% down from the 20.6bn mailed in 2008. Ofcom blamed the switch to electronic communications for the structural decline of the mail market. While addressed mail volumes have been declining, addressed mail revenue has risen more than 10% since 2008, and 2.7% last year, with Royal Mail price increases pushing the figure up to £7.5bn in 2013.


 **Wall Street Journal:** The U.S. Postal Service boosted its revenue through price increases and a continued focus on package-shipping, but still ended the third quarter with a \$1.96 billion loss. The agency boosted revenue by 2% to \$16.5 billion in the period ending June 30. The improvement was due mainly to growth in its package-delivery business, which saw revenue rise 6.6% to \$3.19 billion as postal customers increased their online spending. The service's operating expenses rose 9.2% to \$18.42 billion, as compensation and transportation costs grew. One-time competitors United Parcel Service and FedEx Corp. have emerged as some of USPS' largest—and busiest—clients by volume. For FedEx alone, The Wall Street Journal reported, the post office delivers an average of 2.2 million packages a day, or about 30% of the express-mail company's total U.S. ground segment. UPS won't specify how much of its shipments go through the post office, but a regulatory filing indicates those types of lightweight shipments accounted for 40%—or about 37 million packages—of its total increase in ground shipments in 2012. The post office has also reached an agreement with Amazon.com Inc. to deliver orders on Sunday for the e-commerce giant. The volume of so-called Parcel Select packages, a service aimed at businesses including FedEx, UPS, and Amazon.com, surged nearly 500% to about 1.29 billion packages in 2013 from about 223 million in 2009. In the latest period, Parcel Select volume rose 14% to 386 million packages. Still, the package business is only about one-fifth of total Postal Service revenue. See USPS press release.

 **Post & Parcel:** The rise of the lightweight e-commerce parcel is fueling a global "space race" within the parcel industry, according to US-based technology firm Postea. The company says growing pressure on parcel, freight and e-commerce firms to improve the efficiency of delivery services has led to a surge in demand for dimensioning equipment. In the US, both FedEx and UPS have announced the introduction of new volumetric pricing systems for consumer parcels from the end of the year. The delivery giants having been finding their revenue-per-package yields falling because of the greater number of lightweight e-commerce parcels in their mix, compared to traditionally heavier business-to-business parcels. Postea, the firm co-founded by postal industry veteran Elmar Toime, says it is seeing interest in its dimensioning technology, QubeVu, extending beyond those carriers already announcing the introduction of volumetric pricing. Michael J Murphy, the Postea chief executive and co-founder, said there has been a "flood of enquiries" from delivery companies wanting to bring in new pricing approaches, along with retailers looking to improve warehouse management. He said in part, companies may be responding to the strategies of their competitors.


 **Buffalo News:** By controlling the delivery process right up to the last mile, Amazon can get packages to customers on Sunday, a service it announced with the U.S. Postal Service last November. And with the opening of


the Kent facility, Sunday delivery has begun in the Pacific Northwest. In addition to the Kent facility, adjacent to a site where Amazon is building a new fulfillment center, the company has quietly opened sortation centers in Atlanta; Dallas; Houston; Phoenix; Avenel, N.J.; Hebron, Ky.; and San Bernardino, Calif., in recent weeks. By the end of the year, Amazon will have more than 15 sortation centers, all in the United States, according to Roth. Each will employ several hundred workers.


August 10, 2014


 **eCommerceBytes:** Most online sellers use some sort of online postage solution, even if it's simply printing labels from eBay, Amazon, Etsy, or the USPS Click N Ship website. But if you sell on multiple channels, or if you want greater flexibility, you might investigate services whose sole mission is to help shippers save time, be more efficient, and turn shipping into a competitive advantage.


August 9, 2014

 **UPS Press Release:** The UPS Board of Directors today declared a regular quarterly dividend of \$0.67 per share on all outstanding Class A and Class B shares. The dividend is payable September 3, 2014, to shareowners of record on August 18, 2014.

 **Yahoo! Finance:** Harry Potter has millions of fans. Benjamin F. Bailar is not one of them. The 80-year-old former postmaster general and avid stamp collector sent a letter last month to Patrick Donahoe, the current postmaster general, berating the United States Postal Service for including the boy wizard on its postage stamps....The Harry Potter stamps, based on the best-selling books by J.K. Rowling, debuted in 2013. More than \$100 million of these stamps have been sold. The Harry Potter brouhaha has become the latest headache for the cash-strapped post office. The Postal Service reported a net loss of \$1.9 billion in the second quarter. It owes \$99.8 billion in benefits to current and retired workers and another \$16.7 billion to future retirees. The Postal Service has been teaming up with online retailers like Amazon.com to boost revenue by delivering packages in New York and Los Angeles metro areas on Sunday. First-class mail still accounts for nearly half of the USPS's revenue, reports The Wall Street Journal, and postmaster Donahoe has said he wants to double the Postal Service's package-delivery business within a few years.

 **The Independent:** Post boxes no longer cover their costs, Royal Mail said as it announced plans to bring forward collection times for 50,000 post boxes across the country, with late collections moved to 3pm where it was previously 4pm or later. Just over half of Royal Mail's 115,000 post box network will remain largely untouched by the change in schedules, though the company is encouraged by Ofcom survey data that indicates that consumers are open to the idea of moving collection times, particularly at low-volume boxes.

 **The Aberdeen Press and Journal:** Fears have been raised that postal services in rural areas could suffer after Royal Mail moved to bring forward collection times at half its mail boxes. Up to 50,000 post boxes will move to the earlier collection time – typically 9am to 3pm – although the company pledged there would still be a late box within half a mile. It also promised to introduce 2,000 new boxes in areas of under-provision, particularly rural areas of Scotland and Northern Ireland. Royal Mail insisted the changes would ensure it is able to maintain its estate of 115,000 post boxes, despite a 33% drop in volumes since 2005. However SNP postal services spokesman Mike Weir, the Angus MP, raised concerns last night.


 **Office of the Inspector General:** Delegations of Contracting Authority Outside of Supply Management -- Audit Report.

"Five of the six delegations were reasonable and contained adequate controls over delegation requirements; however, internal controls and oversight of the Facilities delegation need improvement. Facilities did not require contracting officers to meet professional qualifications or establish sufficient competition requirements for contracts. Also, Facilities could not identify its active contracts and did not timely submit the required annual reports. These deficiencies occurred in an environment with no separation of duties in the Facilities program office that identified the


need for services, established contracting policy, and secured contracts. It would benefit the Postal Service to rescind the delegation and transfer the responsibilities for Facilities service contracts to the vice president, Supply Management, to ensure consistent contracting practices for procuring goods and services. In addition, during our review we found Postal Service officials were not aware that Information Technology personnel executed revenue-generating agreements with mail service providers without a required delegation. Specifically, officials could not locate evidence of a delegation granting authority for personnel to sign agreements with service providers who provide address quality data to mailers. Without sufficient controls and oversight of delegations, the Postal Service is at risk of fraud and waste from improper contracting activity, which could harm the Postal Service's brand."

 *From the Federal Register:*

Postal Regulatory Commission	
NOTICES	
New Postal Products ,	
46880-46881 [2014-18912]	[TEXT] [PDF]

 Cleveland.com: The Rocky River Municipal Court is changing the way it mails court documents, saying it believes commercial carriers offer more dependable service than the U.S. Postal Service. The court will begin using FedEx Signature Service to deliver court documents within the next 30 days, Clerk of Courts Deborah Comery said Wednesday. The court previously used U.S. Postal Service Certified Mail, but Comery said the court is making the switch because it believes service will be improved.


August 8, 2014


 **USPS Webinar Schedule for August 2014.** The USPS is conducting the following webinars this month. Please register using the links below. For more information about upcoming webinars and to view past webinar recordings, please visit our Industry Outreach website. *NOTE: The MTAC Mail Prep and Entry Focus Session webinar on August 14 is not listed on the Industry Outreach website because it is intended for MTAC members only, in preparation for the MTAC quarterly meeting.*

- **IMpb impacts for Market Dominant products-Tuesday, August 12 at 10 a.m. (EDT) [Click here to register.](#)** This webinar discusses the impact of the January 26, 2014 IMpb requirements on the Market Dominant products (i.e. First-Class Mail, Standard Mail, Package Services and Periodicals). Join us for a discussion of compliance issues unique to Market Dominant products as well as basic IMpb requirements for all products.
- **Mail Entry Roadmap Webinar-Wednesday, August 13 at 2 p.m. (EDT) [Click here to register.](#)** The Mail Entry Roadmap details the Postal Service's key initiatives to streamline the acceptance, induction, and verification of commercial mailings: Full-Service Intelligent Mail, eInduction, and Seamless Acceptance. This webinar will discuss the 2014-2015 Mail Entry timeline and describe upcoming enhancements to existing acceptance and verification requirements and processes to help customers plan their future mailing strategies. Learn how, by leveraging existing technology, these key initiatives will improve mail quality, simplify the induction of mailings and provide end-to-end visibility into mailings.
- **MTAC WEBINAR: Mail Prep and Entry Focus Session-Thursday, August 14 at 2 p.m. (EDT) [Click here to register.](#)** The MTAC Mail Prep and Entry Focus Group will host a webinar that will include all of the regular updates normally given during the focus group

meetings at MTAC in addition to special segments on MTE planning for Fall Mailing Season and the Transition to 5-digit Scheme List Monthly Update Cycle. Covering these topics in advance of MTAC week will allow time to share new opportunities and have more robust discussion on topics of interest at the face-to-face focus group meeting. Agenda topics include: * MTE Planning for the Fall Mailing Season * Transition to 5-digit Scheme List Monthly Update Cycle * Engineering & Technology Update * Work Group Updates * User Group Updates * MP&E Steering Committee Update * Flats Strategy Update * Remittance Mail Update

- **Network Rationalization, Phase II-Friday, August 15 at 2:30 p.m. (EDT) [Click here to register](#).** The Postal Service Network Operations team invites you to a Network Rationalization Phase II webinar to provide more information about the transportation and logistical requirements involved with the 2015 Network Rationalization implementation plans. Please join Dave Williams, VP Network Operations and his staff for an informative webinar on Friday, August 15 at 2:30 p.m. The Postal Service is committed to working closely with our customers to help them plan their mailings and mitigate potential issues during this change.
- **Fall Mailing Season Update-Monday, August 18 at 4:00 p.m. [Click here to register](#).** Please join Linda Malone, Manager Processing Operations from the Network Operations group for an update on the 2014 Fall Mailing Season. This webinar will recap our performance last year and outline our plans for a successful upcoming Fall Mailing season. The following topics will be discussed: * Load Leveling with the Fall Mailing * FAST appointments * Scanning on hand * Delayed volume.

 **DMM Advisory: September 2014 Postage Statements Available Online** The September 2014 postage statements have been posted on Postal Explorer® for your easy use and reference. The postage statements have been updated with minor changes, therefore it is not mandatory to use them until the next applicable price change after September 7, 2014. PS Form 8125 and 8125-C have been updated to show the addition of air boxes and DFSS wording. Please use the September 2014 forms if you are indicating either DFSS or air boxes for Plant-Verified Drop Shipments.


 **Federal Soup:** The American Postal Workers Union this week worked to rally support for an effort in the Senate to turn back the U.S. Postal Service's plan to shutter or consolidate 82 mail processing facilities across the country. By Aug. 5, the union said more than two dozen senators had signed a letter asking Senate appropriators to include language in the next appropriations bill to preserve the current postal facilities and service standards. The letter was spearheaded by three senators with large rural constituencies—Jon Tester (D-Mont.), Bernie Sanders (I-Vt.) and Tammy Baldwin (D-Wis.). The USPS closure plan, slated to begin in January 2015, also includes the implementation of new delivery service standards, which the Postal Service published Aug. 1 in the Federal Register. Under those changes, the current one-day service standard for first-class local mail delivery—such as within the same city—will increase to two days in January 2015. Additionally, the current two-to-four-day service standard for periodicals will change to a three-to-four-day standard. In a message to members on its website this week, APWU asked members to urge more lawmakers to join the effort to reject the closures and service standard changes.


 **Attention Postal One! Users:**


- **PostalOne!® Release 38.0.0 and Release 38.1.0 Deployment** — will require an extended maintenance window to complete all software updates. There will be a PostalOne! outage from 12:00AM(midnight) CT through 9:00AM CT, on Sunday, August 24, 2014. A mandatory Mail.dat® client download will be available immediately following the software update. Release notes for PostalOne! Release 38.0.0 and

Release 38.1.0 can be found on [RIBBS](#) by clicking on Major/Minor Release Schedule/ 2014 Releases in the left-hand navigation bar or by going directly on [RIBBS](#).


- **PostalOne! Release 38.0.0 and Release 38.1.0 Deployment to Test Environment for Mailers (TEM)** — will occur on Monday, August 25, 2014, and PostalOne! TEM will be unavailable from 6:00AM CT through 3PM CT.


 [TechCrunch](#): The humble business card still hasn't been killed off by digital alternatives. SwivelCard is a paper business card that — by way of a spot of patented printing and some clever perforations — also includes a USB stick interface so the business card can be stuck into a USB port and then point the user to a particular webpage.


 [PRWeb](#): Astonishingmail has created tools and templates for highly effective personalization and customization options for greeting cards, announcements and invitations. With the holiday season approaching, a website that features printing, addressing, stamping and mailing all in one step will be a welcome time saving tool.


 [New York Times](#): Google and Barnes & Noble are joining forces to tackle their mutual rival Amazon, zeroing in on a service that Amazon has long dominated: the fast, cheap delivery of books. Starting on Thursday, book buyers in Manhattan, West Los Angeles and the San Francisco Bay Area will be able to get same-day deliveries from local Barnes & Noble stores through Google Shopping Express, Google's fledgling online shopping and delivery service. Google Shopping, which began operations about a year ago, allows online shoppers to order products from stores like Costco, Walgreens, Staples and Target, and have them delivered to their doors within hours.

 [BBC](#): Collection times at almost half the Royal Mail's collection boxes will be brought forward to between 9am and 3pm. Between 45,000 and 50,000 of the company's post boxes will move to the earlier collections. Royal Mail says there will still be a late posting box within half a mile of areas affected and will add 2,000 post boxes to its 115,000 network. The earlier collections will be picked up by delivery staff as part of their existing rounds. The majority of those switching as part of today's announcement will be in urban and suburban areas.

 [WTIC](#): In federal court Edward Hogan, 38, and his brother, Justin Hogan, 34, both of Waterbury, pleaded guilty today to federal narcotics trafficking and mail theft charges. Prosecutors say this is a result of people using the mail to transport narcotics from Puerto Rico to the greater Waterbury area. According to court documents and statements made in court, Edward Hogan was employed by the U.S. Postal Service as a supervisor of customer service at the Plaza Station Post Office in Waterbury. Beginning in approximately January 2012, Hogan used his position with the U.S. Postal Service to remove parcels containing cocaine and marijuana from the mail stream. The brothers then sold the drugs.

 [Post & Parcel](#): Britain's Communication Workers Union demanded an urgent intervention from regulator Ofcom yesterday to protect the universal postal service. The union, which has been lobbying along with Royal Mail to have universal service-type standards imposed on rival TNT Post UK, said a new report from Ofcom revealing a "steep" decline in mail volumes in the UK showed the need for regulatory action. The figures revealed that addressed mail volumes dropped by 4.5% in 2013 compared to the year before. The 14.8bn addressed items mailed last year was 28% down from the 20.6bn mailed in 2008. Ofcom blamed the switch to electronic communications for the structural decline of the mail market. While addressed mail volumes have been declining, addressed mail revenue has risen more than 10% since 2008, and 2.7% last year, with Royal Mail price increases pushing the figure up to £7.5bn in 2013.

 [Public Finance](#): The Scottish Government's policy to renationalise the Royal Mail if the country votes for independence on September 18 is 'nothing more than an uncosted aspiration', a Westminster parliamentary committee has said. The business, skills and innovation select committee said in a report on business issues raised by next month's referendum that taking Royal Mail back into public ownership 'may well be an attractive campaigning tool'. However, information was lacking on it could be paid for or how Scotland's proportion of the service's historic pension liabilities would be calculated, it said. The committee also doubted that an independent Scotland could continue to pay for the universal postal service obligation other than at 'significant additional cost, either to the taxpayer or to the consumer'. See also [The Guardian](#).

 **Washington Post:** The U.S. Postal Service plans to release its third-quarter financial report on Friday morning, and many employees and customers will be hoping for signs of a continued turnaround after years of negative balances. USPS has lost tens of billions of dollars over the past seven years, with people increasingly turning to digital methods for communication and paying their bills. But, thanks in part to some changes in the way it operates — not all of them have been popular.




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


- The USPS on August 1, 2014, published its final rule in the Federal Register outlining service standard changes for market dominant products that will take effect on January 5, 2015, as part of its Phase 2 Network Rationalization implementation. The changes include service standard and Critical Entry Time (CET) changes for some First-Class Mail and Periodicals.
- Postal Service to issue wage garnishment rule, despite controversy. USPS meets/exceeds federal sustainability goals. USPS generated \$4.9B in new sales and cuts cost by \$868M last year. USPS' consumer/industry affairs VP stresses employee review of COA requests. USPS improves undeliverable business mail checks process. USPS awards contract to HP for managed print services. USPS awards Nustats contract to provide quarterly household mail data. Amazon adds same-day delivery in six new cities. Amazon to open 15 sortation centers in 2014. Senators seek to protect 15,000 postal jobs. For FedEx and UPS, a cheaper route: the Post Office. USPS vs Return Mail, Inc: Authorizing Reply and Sur-Reply.
- Announcements concerning the Domestic Mail Manual and USPS industry alerts.
- This week's listing of postal notices in the Federal Register.
- Announcements on recent reports, projects, and blog entries of the USPS OIG.
- International postal news.
- Postal previews.


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




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


 **WCPO:** A United States Postal Service (USPS) worker tossed mail into a dumpster in Bond Hill Wednesday, rather than delivering the letters, paychecks and notices to their rightful owners. The female worker was caught on tape disposing of the mail. A property manager and several residents nearby saw the worker in the act as she tossed a tray of mail into a dumpster on Paddock Road, just off Norwood Lateral Parkway.


 **Stillwater News Press:** One public service that people really like and count on is the post office – which literally delivers for us. Antigovernment ideologues and privatization dogmatists, however, hate the very word "public," and they've long sought to demonize the U.S. Postal Service, undercut its popular support and, finally, dismantle it. Their main line of attack has been to depict it as a bloated, inefficient, outmoded agency that's a hopeless money loser, sucking billions from taxpayers. Never mind that USPS doesn't take a dime of tax money to fund its operation – it's actually a congressionally chartered, for-profit corporation that earns its revenue by selling stamps and providing services to customers. And here's something that will come as a surprise to most people: The post office makes a profit – expected to be more than a billion dollars this year. Yet, the media keeps reporting that the USPS is losing billions of dollars each year. What they fail to mention is that those are phony paper losses manufactured by Congress at the behest of corporate privatizers.

 **The Montreal Gazette:** Canada Post plans to cut door-to-door mail delivery service to several communities on the island of Montreal and the South Shore early next year, the Crown corporation said Thursday. The corporation refused to confirm which communities would be affected, except to say that the 70,000 addresses are in the Greater Montreal area.


August 7, 2014

 **Poynter:** Digital edition circulation rose at U.S. magazines in the first half of 2014, according to the Alliance for Audited Media's most recent report. But digital editions represented only 3.8 percent of total circulation, compared with 3.3 percent in June 2013. Paid subscriptions fell nearly 2 percent. Single copy sales fell about 12 percent.

 **Media Daily News:** In 2010, Apple introduced the iPad. Suddenly, the idea that people could actually read things on a portable digital device — with an experience similar to and possibly exceeding that of a paper magazine — seemed possible. Magazine publishers started developing digital editions of their magazines. Many in the media business thought that the end of the paper world as we knew it was near. Fast forward to 2014, when almost half of the U.S. population has jumped on the tablet wagon. By and large, magazine publishers have made comparably little progress in convincing their readers to consume their publications on the tablet, and few are able to derive significant revenue from their tablet apps. So what happened to the revolution?


 **The Moscow Times:** Russian Post and Russian Railways on Thursday announced the launch of a postal train that will deliver packages along a route from Moscow to the far-eastern city of Vladivostok, Interfax reported. "Considering the vastness of our country and the role of the railways, it was really important that we finally launch a postal train," Communications Minister Nikolai Nikiforov told reporters. Russian Post general director Dmitry Strashnov said at the opening ceremony for the new train that his company was leasing out the wagons, but that the train belonged to Russian Railways, Interfax reported.


 **PostCom Members!** The latest issue of PostCom's [Postal Executive Summary](#) has been posted on this site.


 **Washington Post:** A former postmaster general and prominent stamp collector is accusing the U.S. Postal Service of "prostituting" its stamp program, sacrificing cultural icons for pop culture in a wrongheaded search for "illusory profits." Benjamin F. Bailar made these comments to Postmaster General Patrick Donahoe in a recent letter of resignation from the secretive committee of eminent Americans that decides the faces and images that should go on postage stamps. Bailar's resignation has re-exposed a rift within the stamp community over whether the cash-poor Postal Service should pursue commercial subjects to chase new collectors and revenue at the expense of traditional cultural images.


 *From the Federal Register:*


Postal Service	
RULES	
Collection of Delinquent Non-Tax Debts by Administrative Wage Garnishment ,	
46183-46184 [2014-18627]	[TEXT] [PDF]


 **Buffalo News:** At one time, the post office was known for providing employment for disabled veterans. It was not intended as an agency that would pull its own weight. During the Nixon administration, the post office was replaced by the U.S. Postal Service, which was to be an entity separate from the federal government. It was meant to function like a business. This new business-like entity continued to use the postal exam as its basis for hiring new employees. While this is fine for unskilled labor positions such as clerk or carrier, it is inadequate for assembling a competent management team. Some postal employees insist the Postal Service can function properly if it is just left alone. I disagree. Nothing short of federal government intervention employing qualified individuals can hope to straighten out this mess.

 **The Barbados Advocate:** Committed to continuing to meet local demand while assisting with the development of the nation, it has been deemed necessary to make the Postal Service better equipped.


 [WYMT](#): The eagle representing the United States Postal Service has landed at a Vicco liquor store. "Post offices close kind of early in the day, actually so we'd be able to sell stamps," said Sharon Taylor, manager at Kwik Six Liquor. In addition to stamps, the village post office also ships flat-rate boxes. The stores that house these village post offices do not make much money from the post office location itself, but do hope to benefit from the additional foot traffic. Offices like this also help to compensate for reduced office hours at other post offices, according to Nick Walker, village post office coordinator for the USPS Kentuckiana district.


 [Post & Parcel](#): Direct mail companies in the UK working on behalf of financial services firms or charities have been warned they could be sitting on a huge VAT "timebomb". The industry has been waiting for two years for guidance from the UK tax authorities, HM Revenue & Customs, on a removal of the VAT exemption on bulk mail services. Since the new rules came into force in April 2012, some ad mail firms have combined postage costs with production costs in order to cut out the VAT liabilities for financial services businesses or charities, which are unable to claim back or charge VAT. But the Direct Mail Association warned today that this practice, known as "single sourcing" may not be seen as exempt from VAT under the two-year-old legislation, when the long-awaited guidance finally emerges from HMRC. It means that companies could find themselves with a large backdated tax bill as well as penalties, the DMA said.


 [This Day](#): Owing to the current security threats in the country, there is need to equip and train postal/courier workers to adequately exercise safe handling of cargo and other consignments at the nation's various entry points, writes Emma Okonji Apart from mail delivery, which the post is widely known for, it also receives, carry and deliver a lot of materials such as parcels and consignments that have national security implications. It is for this reason that some postal staff are positioned to the country's ports, in order to assist the police and custom officers to identify and intercept contraband items that find their ways into the country through courier services.

 [Politico](#): Amazon CEO Jeff Bezos rarely shies away from a fight, whether it's battling publishers to conquer the e-book market or warding off investors who want the company to deliver bigger profits. But the e-commerce giant increasingly is shipping those hardball tactics to Washington, where it is fighting agencies and wooing regulators more than ever before. The Seattle-based company this year has boosted its political machine, hiring a crop of new lobbyists and writing bigger checks to members of Congress. It recently retained a powerhouse firm in Washington, D.C., to lobby the Federal Aviation Administration on delivery drones and has flexed its muscle to win a key government technology contract. Bezos, meanwhile, raised his Beltway profile through his personal purchase of The Washington Post in 2013.

August 6, 2014

 [Fierce Government](#): The Postal Service made payments nearly four months late to contractors shipping mail out of the Indianapolis processing and distribution facility, a recently released USPS inspector general report says. The distribution center did not process about \$74,000 in exceptional service payments in a timely manner over the eight month period from June 2013 through January 2014, [the report \(pdf\)](#) says. The Postal Service gives bonuses to contractors who provide exceptional service, including changes in normally scheduled transportation operations including extra trips and late leaving trips. "Management stated that contractors were alarmed by the frequency and amount of payments the Postal Service owed them and were looking for assistance to resolve these payment issues," the report says.


 [The Hill](#): The U.S. Postal Service will issue a rule Thursday that allows the federal government to garnish the wages of private-sector workers who owe the USPS money. The wage garnishment regulation, which mirrors similar rules on the books of about 30 other federal agencies, allows the USPS to take money out of the paychecks of non-government workers to compensate for debts they owe the agency. It may seem insignificant — considering it breezed through the public comment process without receiving a single comment — except for the fact that Republicans criticized the Environmental Protection Agency for doing the same exact thing just last month.


 [The Hill](#): Even amid an improving economy, a majority of Americans are feeling uneasy about the future for their children and they blame Washington's dysfunction for failing to put the nation on the right track. Despite solid jobs gains and a pickup in economic growth, a record-high number — 76 percent — said they don't feel confident


that their children's lives will be better than theirs, a new Wall Street Journal/NBC News poll showed on Wednesday. Some 71 percent say the country is on the wrong track, a jump of 8 points from June's survey. Meanwhile, 60 percent say the nation is in a state of decline. A majority — 71 percent — say the economic problems facing the United States are mostly due to the inability of Washington's elected officials to take action that would accelerate growth.


INDUSTRYALERT *MAIL ENTRY ROADMAP WEBINAR August 13 at 2:00 pm (EDT)*


The Mail Entry Roadmap details the Postal Service's key initiatives to streamline the acceptance, induction, and verification of commercial mailings: Full-Service Intelligent Mail, eInduction, and Seamless Acceptance. This webinar will discuss the 2014-2015 Mail Entry timeline and describe upcoming enhancements to existing acceptance and verification requirements and processes to help customers plan their future mailing strategies. Learn how, by leveraging existing technology, these key initiatives will improve mail quality, simplify the induction of mailings and provide end-to-end visibility into mailings. We hope you will join us on Wednesday, August 13. Instructions for participating appear below. Attendee Information Please register using the attendee link: <https://usps.webex.com/usps/onstage/g.php?t=a&d=398782185> US/Canada Attendee Dial-in: (888) 890-1547 International Toll Attendee Dial-in: (484) 487-2636 Conference ID: 84445271 If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <https://usps.webex.com> Event Number: 398 782 185


 **Malay Mail Online:** Singapore Post continues to make acquisitions, as it diversifies from its stagnating traditional postal business into one with five pillars: mail, digital services, logistics, e-commerce, and retail financial services.


 **The Ripon Advance:** The Senate approved legislation on Friday that was introduced by Sen. Rob Portman (R-Ohio) to reauthorize a postage stamp that benefits conservation programs. The Multinational Species Conservation Funds Semipostal Stamp Act would extend for six years a program that enabled the U.S. Postal Service to charge 55 cents for a stamp that would be used to protect endangered species.

 **Post & Parcel:** Post Danmark is getting into the business of making grocery deliveries for an online supermarket. The postal operator, which has been hit hard in recent years by the digitisation of letters in Denmark, while struggling to make the most of e-commerce growth in the face of high levels of competition, is partnering with the retailer Irma.dk to deliver food items to the doorstep. Irma is part of the Coop Danmark group, and one of the oldest grocery chains in the world with around 80 brick-and-mortar stores, mainly in the Copenhagen metropolitan area.


 **The Maravi Post:** Minister of Information, Tourism and Culture Kondwani Nankhumwa has hailed the Malawi Postal Corporation (MPC) for responding well to the technology boom in their delivery of services.


 **Multichannel Merchant:** Amazon.com today announced that same-day delivery on more than a million eligible items is being added for customers in the Baltimore, Dallas, Indianapolis, New York City, Philadelphia and Washington DC metro areas. As reported in Multichannel Merchant, Amazon has been offering same-day delivery since 2012. Before today's announcement, it was already available in the Los Angeles, Phoenix, San Francisco and Seattle metro areas. With the new "Get It Today" capabilities, customers can order as late as noon seven days a week and get orders delivered to their home the same day. Prime members pay \$5.99 for all the same-day delivery items they can order. Pricing for non-Prime customers remains unchanged, with a \$9.98 fee for the first item and \$0.99 for each additional item.

 **NBC Bay Area:** FedEx Ground is one of the largest delivery companies in the country. In 2013, drivers traveled more than a billion miles delivering packages for FedEx Ground and its subsidiary, but not as employees. Unlike other delivery companies, FedEx Ground uses a network of independent contractors instead of employees to transport packages across the country. FedEx Ground says the company vets all of its independent contractors, but as the NBC Bay Area Investigative Unit has uncovered, some companies with poor records may slip through the cracks, operate illegally on the roads, and put other drivers in potential danger.


 [NBCWashington](#): A Fairfax man pleaded guilty Tuesday to producing and selling \$76,000 of counterfeit postage stamps. Brian Kim, 38, of Fairfax, was accused of defrauding the U.S. Postal Service by producing the stamps between January and October 2013. Kim owned and operated two packaging centers in Northern Virginia, one in Fairfax and the other in Arlington. Prosecutors say he has admitted to duplicating stamps that had been originally produced on a USPS-authorized postage meter, and adhering the bogus stamps to packages that customers brought in. Prosecutors said on an average day, Kim mailed enough packages to total about \$400 in counterfeit stamps.


August 5, 2014


 [The Straits Times](#): First quarter net profit at SingPost rose 5.1 per cent over the same period last year to reach \$39.2 million. Excluding one-off items, underlying net profit was flat at \$36.2 million. The company also saw a 4.8 per cent increase in revenue to \$210.9 million in the three months ended Jun 30, as growth in e-commerce related activities continued to offset declines in the traditional postal business. There is tremendous cost pressure, with higher operating costs due mainly to increased manpower costs from additional postman hires and higher overtime costs, said Dr Wolfgang Baier, SingPost group chief executive officer.


 [Lehigh Valley Live](#): A United States Postal Service mailbox was vandalized and mail inside stolen today in Lehigh Township in what police say is an ongoing problem in the Lehigh Valley.

INDUSTRY ALERT **Fall Mailing Season Update August 18 at 4:00 p.m. (EDT)** Please join Linda Malone, Manager Processing Operations in the Network Operations group for **an update on the 2014 Fall Mailing Season**. This webinar will recap our performance last year and outline our plans for a successful upcoming Fall Mailing season. The following topics will be discussed: · Load Leveling with the Fall Mailing · Fast appointments · Scanning on hand · Delayed volumes We hope you can join us on Monday August 18. Instructions for participating appear below. Attendee Information Fall Mailing Season Update Monday, August 18, 2014, 4:00 pm EDT US/Canada Attendee Dial-in: (888) 890-1547 International Toll Attendee Dial-in: (484) 487-2636 Conference ID: 84054083 Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?t=a&d=998650126> If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <https://usps.webex.com> Event Number: 998 650 1269


 [Multichannel Merchants](#): In a move aimed at expediting its promise of Sunday delivery via the U.S. Postal Service, Amazon has announced plans to open 15 specialized sortation centers this year, which gets packages to nearby USPS offices for last-mile service. The move is also seen by experts as part of Amazon's larger plans to own more of the distribution picture and compete with major carriers.


 [Proactive Investors](#): Royal Mail's share price is heading lower and could even dip below the level of last October's float, according to leading City broker Credit Suisse. After soaring to more than 600p at the start of 2014, the price has since fallen back to 405p, but analysts at the Swiss group say the decline has further to go.

 [Office of the Inspector General](#): *"Delivery and Safety: A Two-Way Street"* -- "Our recent audit report looked specifically at the Capital District, which experienced a 14 percentage point increase in city carriers returning after 5 p.m. We found the increase was due to (1) delayed delivery of mail from the processing facilities to the delivery units, and (2) supervisors failing to properly supervise city delivery operations. Our recommendations centered on modifying operating plans to get mail to the delivery unit earlier in the day and on adhering to policies and procedures for supervising city delivery operations. Also, we encouraged management and union officials to work together to address carrier safety. External stakeholders have already offered some ideas worth considering, such as brightly colored, reflective clothing to make carriers more visible, and realigning delivery routes so carriers can start earlier in dangerous areas."

 [Government Executive](#): A group of lawmakers is urging colleagues who are drafting spending bills to prohibit the U.S. Postal Service from moving forward with its plan to close 80 more processing facilities. The Postal Service announced last month that in January 2015 it would begin the previously delayed second phase of its "network rationalization" plan. Twenty-two senators -- nearly all Democrats -- called for a one-year moratorium on the consolidations in a letter to their colleagues on the Senate Appropriations Committee, saying the closures would hurt

both postal customers and employees. The senators said the closures would result in the loss of 15,000 postal jobs. The group included Homeland Security and Governmental Affairs Committee members Jon Tester, D-Mont., and Tammy Baldwin, D-Wisc.; Bernie Sanders, I-Vt., who has authored a postal reform bill that focuses on growth initiatives rather than cuts; and Republican Appropriations Committee member John Hoeven, N.D.


 **Post & Parcel:** Itella is starting negotiations with its work force next week regarding plans to restructure its mail sorting operations. The Finnish national postal operator is rearranging its mail sorting operations to respond to the declining volume of its mail services. Letters, magazines and advertising mail volume is projected to drop by 50% by 2020 as society continues to digitalise its communications, and with package volumes growing thanks to e-commerce, Itella said yesterday it needs to modernise its sorting infrastructure.


 **Bloomberg Businessweek:** Deutsche Post (DPW) AG's second-quarter profit beat analysts' estimates as the German parcel business and international express unit of Europe's largest postal company expanded. The stock rose the most in four months. Economic revival in the countries sharing the euro has been unsteady since a recession ended a year ago, with France posting no growth in the first quarter, and July unemployment in the region remaining near a record 12 percent. An efficiency program helped Deutsche Post avoid much of the fallout from the contraction, and Appel is focusing on meeting demand to handle items ordered online, and expanding express operations in Asia.


 *At the Postal Regulatory Commission:*

Postal Regulatory Commission	
NOTICES	
Postal Products; Amendment ,	
45500-45501 [2014-18422]	[TEXT] [PDF]


August 4, 2014


 **Wall Street Journal:** FedEx Corp. and United Parcel Service Inc. increasingly are moving their own packages through the U.S. Postal Service, putting pressure on the quasigovernmental agency and raising questions about whether the USPS is charging enough for the service. For FedEx alone, the post office delivers an average of 2.2 million packages a day, or about 30% of the express-mail company's total U.S. ground segment. UPS won't specify how much of its shipments go through the post office, but a regulatory filing indicates those type of lightweight shipments accounted for 40%—or about 37 million packages—of its total increase in ground shipments in 2012. The post office is lapping up the extra package-delivery business from its private-sector rivals because it badly needs growth. In the past decade, it has lost more than 30% of its most profitable product—first-class mail—to the Internet. But the flood of these packages has begun to tax the system, and it has raised questions about whether the USPS is charging enough for its service. Even as UPS makes use of the USPS, a UPS executive on the company's earnings conference call last month questioned whether the Postal Service is unfairly cross-subsidizing certain products to offer lower prices.


 **The Daily Californian:** Citizen Ralph Nader, the champion of the Consumer Product Safety Administration, the Environmental Safety Administration and the Freedom of Information Act, came to the steps of the Downtown Berkeley Post Office yesterday to give a pep talk to the volunteer defenders of our public postal service. Some 300 listened as he encouraged us to keep up the fight against the privatization of the U.S. Postal Service and the sale of the century-old post office at 2000 Allston Way. For his tireless work of more than 50 years on behalf of working people, he deserved the warm reception he received from the crowd. But for his strategic recommendations on how to retain ownership of the USPS and its 32,000 post offices by the citizens of this country, he deserves — at best — a second chance. I have to report that he surprised me with his lack of diligence.


 **USA Today:** Unanswered questions. That's what last week's big week of data left investors with, who were clamoring for clues as to where exactly we are in this economy. That despite most of the data released appearing to


be pretty good evidence that jobs and growth in the economy are getting better. After all, the economy apparently grew 4% in the second quarter, bouncing back completely from the 2.1% contraction in the first quarter. And yet on the very day the strong gross domestic product data were released, it was met by the worst sell-off in stocks in months -- as concerns about a debt crisis in Argentina added to the angst. The Dow Jones industrials plummeted 314 points and the benchmark Standard & Poor's 500 index suffered its worst slide since April 10. The Dow is now flat for 2014. So what's the worry? Plenty, some say.


 [The Motley Fool](#): Amazon relies on the U.S. Postal Service and shipping companies such as UPS and FedEx to deliver goods to customers and if these entities raise costs, which they've slowly done over time, there's little Amazon can do in response outside of building its own delivery network. But that would cost tens of billions of dollars and take years to accomplish, so Amazon remains reliant on these shippers. As you can see below, growth in Prime members has coincided with a rapid rise in fulfillment costs as a percentage of sales. Amazon faces fundamental challenges in transitioning from growth to profits, and I don't see how the company does that with Prime as a central driver of value for customers. The costs of shipping and streaming content are simply too high.


 [eCommerceBytes](#): The USPS will resume its consolidation of mail processing centers after Phase 1 saw the closure of 141 mail processing facilities in 2012 - 2013. The only positive for online merchants - Phase 2 will begin after the 2014 holiday shopping season. PostalNews.com noted that 82 more postal facilities will close as Phase 2 commences in January 2015, which is scheduled to be completed by the fall mailing season. A blog for postal workers, the Postal Reporter, published the National Postal Mail Handlers union's communication to members, and it took a dim view of the news of more closures. The USPS told union workers the changes were expected to generate \$750 million in annual savings. "Some affected career employees may be reassigned to other vacant positions." The agency said the previous consolidations had generated annualized cost savings of approximately \$865 million.


 [Emirates 24/7](#): All roads and streets in Dubai will be named by the beginning of 2015, a Roads and Transport Authority (RTA) official was quoted as saying by 'Al Bayan' newspaper. Maitha bin Udai, CEO at RTA said that the introduction of the new addressing system started in 2012 and will be finished by early 2015. The address system divides Dubai into 13 sectors. The project will facilitate quick access to specified destinations and that there will be big boards on the main streets in each neighbourhood with illustrations and arrows pointing to specific streets.


 [The Telegraph](#): Royal Mail is rolling out its "click and collect" Post Office service to 20,000 British small and medium sized businesses (SMEs) as part of plans to bolster its UK parcel business. The move will mean that SMEs can give their customers the option of collecting goods from any one of the company's 10,500 post office branches.


 [Dutch News](#): Postal firm PostNL on Monday announced an increase in turnover of 3% to €bn in the second quarter. The company attributes the upturn to quicker and better results from its reorganisation, efficiency drive and price increase. Net profit was at €44m in the second quarter, compared with €3m in the year earlier period. International turnover grew 4%, excluding Germany where strong competition kept the figure low. PostNL also operates in the UK and Italy. The parcel post sector, where PostNL has introduced evening deliveries, grew 8.2%, mainly as a result of online shopping. Volume in the letters sector continued to shrink, down by 11.2% in the second quarter.

 [Malaysian Digest](#): The private postal collection service run by global firm InPost is opening lockers at selected Tesco and Petronas outlets nationwide. In a statement today, InPost said the local service will be run in partnership with courier firm Skynet, with the aim of setting up 140 locker setups at Petronas and Tesco outlets by the year end. "It is expected that the national network will reach 350 installed automated terminals by 2016 and will be available in such location as shopping malls, universities and residential areas or compounds," said InPost Malaysia managing director Christian Secci. "We have great confidence in the success of InPost parcel lockers in Malaysia. We have finalised our primary partnerships in this market and all the major e-retailers are looking forward to integrating our network into their delivery options."

 [The Baltic Course](#): In the first six months of 2014, Estonian state-owned postal company Omniva's (former name Eesti Post) business income increased by 8%, as compared to the same period last year; this growth in income was mainly the result of the growth of e-commerce and the company's expansion in Latvia and Lithuania, informs LETA referring to Postimees Online.

 [Balkans Business News](#): The European Commission has found direct subsidies granted by Greece to the state-owned postal incumbent Hellenic Post (ELTA) for the delivery of the universal service during a two-year or three-year transitory period (from 2013 until 2014 or 2015) to be in line with EU state aid rules. The Commission has concluded in particular that the grants only compensate ELTA for the extra costs of carrying out public service obligations.


 [Linn's](#): Former postmaster general Benjamin F. Bailar has resigned from the Citizens' Stamp Advisory Committee, questioning the value of continuing a panel that has guided United States stamp policy since 1957. In a letter to Postmaster General Patrick R. Donahoe, Bailar suggested that the committee has become overly concerned about trying to raise money for the cash-poor U.S. Postal Service and less worried about what message U.S. stamps offer the world. "In my opinion the committee bears little resemblance to what it was a few short years ago," he said. "Service on the committee is no longer rewarding." What seems to be one of Bailar's major points was the priority that Donahoe and the Stamp Service staff, which supports the committee, have placed on selecting stamps that will produce growing revenues. The former PMG said making stamps for that purpose is not proper. "Given the apparent desire of USPS to commercialize the stamp program, I would suggest that the committee be eliminated, or at the very least be further marginalized."

 [Politico](#): Its obituary has been written over and over, but the political direct mail industry isn't just still alive; it's thriving. In an era of highly targeted digital and TV advertising, political campaigns are still banking on an old-fashioned, mundane routine. Campaigns, party committees and outside groups have spent at least \$150 million on direct mail so far in the 2014 election cycle, according to a POLITICO review of Federal Election Commission reports and data compiled by CQ Moneyline. That total is just a snapshot, based only on expenditures that were categorized as a variation of "direct mail" or "mailer" and includes some postage and printing costs. Meanwhile, expenditures categorized as "digital," "online," "web" and "email" together totaled about \$70 million. Whether it's mail intended for fundraising or messaging, consultants from both parties now believe the industry has evolved with the times. Although it isn't growing rapidly like digital, mail remains an indispensable tool for many campaigns.

August 2, 2014




[Tulsa World](#): Several pounds of crystal methamphetamine were picked up Friday morning in a package at a Tulsa post office, but ultimately its recipient was delivered to jail. A U.S. postal inspector intercepted a package Thursday, and upon obtaining a federal search warrant discovered 5.6 pounds of crystal methamphetamine, according to an arrest report for Scotty Wayne Harjo.

 [Times-Standard](#): When Fred and I began our careers with the Postal Service the emphasis was on the word "service." We felt an intense responsibility to make sure that every postal patron received the best service we could provide. Now the byword in the Postal Service is "business" and I don't mean the local businesses as in the hundreds that still require that the mail be timely and dependable. Make no mistake: the ultimate goal of the politicians that meddle with the Post Office (and some of the higher Post Office managers) is the privatization of the Postal Service. Consolidations have already taken place in many areas and there are a few constants as a result of these "minimal service changes": 1. The potential savings are never realized. 2. Service standards are always adversely affected. 3. Service lost is never restored. 4. You, the people most affected, will never see the managers that advocated the changes. They're moving on. 5. Jobs lost in the community never come back.





[United States Court of Federal Claims. RETURN MAIL, INC., Plaintiff, v. The UNITED STATES, Defendant. No. 11-130 C](#) -- On February 28, 2011, plaintiff filed its Complaint in this suit seeking reasonable and entire compensation under 28 U.S.C. § 1498(a) for the alleged unauthorized use and manufacture by or for the United States Postal Service (USPS) of certain methods and systems for providing address change services which are asserted to infringe claims 39 through 44 of plaintiff's U.S. Patent Number 6,826,548 (the '548 Patent). On April


15, 2014, the USPS filed a petition with the Patent Trial and Appeal Board (PTAB) for post-grant review of the '548 Patent under Section 18 of the America Invents Act (AIA), Pub.L. No. 112–29, 125 Stat. 284, 329–31 (2011). Doc. 60, Ex. FN1 A. On July 31, 2014, the Board authorized a reply and sur-reply limited to responding to Patent Owner's arguments based on the Supreme Court's Alice decision made in the Patent Owner Preliminary Response, because the Alice decision was issued after the Petition was filed.


 [National Legal and Policy Center](#): On July 8, Cynthia Collins, former secretary-treasurer of American Postal Workers Union Local 12, was indicted in U.S. District Court for the Middle District of Georgia with embezzling funds from the Athens, Ga.-based union in the amount of \$23,345 and concealing the thefts in union financial records. The indictment follows an investigation by the U.S. Labor Department's Office of Labor-Management Standards.

August 1, 2014

 [Winston & Strawn LLP](#): The National Advertising Division (NAD) recently reviewed advertising by the United States Postal Service after a consumer challenged the claim "\$50 insurance included in Priority Mail service" on the USPS website. The consumer mailed a \$100 gift card using Priority Mail service, but when the package was lost, the consumer received only \$15 plus a return of the amount paid for postage. USPS argued that its Domestic Mail Manual controlled, which provides that the maximum indemnity for negotiable items is \$15. NAD disagreed, as the website stated the "\$50 insurance included" without any reference to the Domestic Mail Manual. Given that there are 33 listed exceptions to the "\$50 insurance" claim in the Domestic Mail Manual, **NAD found that it was unclear whether an appreciable number of consumers would be entitled to the advertised \$50 insurance.** Further, NAD also concluded that the disclaimers did not clearly and conspicuously inform the consumer of the class of persons who can achieve the maximum level of the performance claim, as is required when the maximum results can only be achieved under limited circumstances. **The disclaimers were not clear and conspicuous** because 1) they appeared in very small print; 2) the footnote did not refer to all exceptions listed in the Manual; and 3) the hyperlink provided to the Manual took consumers to the general landing page as opposed to the specific disclosure that applied, as is recommended by the FTC's .com Disclosures guidance. Interestingly, the USPS asserted that the FTC has limited jurisdiction pursuant to federal law over Postal Service matters, including advertising, and therefore it was not required to submit to NAD proceedings. While noting that the USPS' participation was voluntary (as is the case with all advertisers), the NAD concluded that it did have jurisdiction over the national advertising that was the subject of the challenge.

 [Quad Graphics](#): There is now more widespread speculation about what could and should happen. Mailers and the USPS are providing comments and suggestions to the Postal Regulatory Commission on how the exigent rollback should be managed, while at the same time the USPS is surveying some of their customers with possible options for price changes in 2015. The survey the USPS is conducting with customers is made up of the following question and options. . . . Unless you are completely immersed in the background discussions, and have an appreciation for what may or may not happen with each pricing option given, it's unclear to me how you could provide a response that would be in your best interest. I have to question the motive of conducting the survey in the first place, unless the responses provide cover for whatever action the USPS decides to take. In my opinion, the USPS pricing strategy for 2015 will be predicated on whatever scenario results in the greatest number of postal dollars. That opinion is based on the Postal Service's legislative wish list that we have been reminded of numerous times...permanent exigency and greater than CPI increases are needed as part of the grand plan to excavate themselves from financial insolvency.

 [Hartford Courant](#): If you harbor the suspicion that state government could run more efficiently and less expensively, you might want to call in a no-nonsense accountant with a green eyeshade to poke around the bureaucratic labyrinth. Someone like David Walker. Mr. Walker is one of three candidates, along with former Groton Mayor Heather Bond Somers and state Rep. Penny Bacchiochi, vying for the Republican nomination for lieutenant governor in the Aug. 12 primary. We believe Mr. Walker's credentials best match the state's needs, and endorse him in the primary. Mr. Walker has a remarkable resume. A certified public accountant, he served as comptroller general of the United States, the nation's fiscal watchdog, from 1998 to 2008. He then headed two foundations promoting national fiscal responsibility — he compared the U.S. to the Roman Empire in decline — and is now working on a range of issues from postal reform to end-of-life challenges.


 **Reuters:** U.S. stocks were little changed on Friday, paring big losses that had been indicated by trading before the market opened, as a weak July jobs report allayed concerns the Federal Reserve might raise interest rates sooner than many had expected. Data showed 209,000 jobs were created in July, below the 233,000 that was expected. Among other data, U.S. consumer sentiment edged down in July.


Mailers' Technical Advisory Committee (MTAC)


MAIL PREP AND ENTRY FOCUS SESSION UPDATE


AUGUST 14 2:00-3:30 p.m. (EDT) The MTAC Mail Prep and Entry


Focus Group will host a webinar that will include all of the regular updates normally given during the focus group meetings at MTAC in addition to special segments on MTE planning for Fall Mailing Season and the Transition to 5-digit Scheme List Monthly Update Cycle. Covering these topics in advance of MTAC week will allow time to share new opportunities and have more robust discussion on topics of interest at the face-to-face focus group meeting. Agenda topics include: · MTE Planning for the Fall Mailing Season · Transition to 5-digit Scheme List Monthly Update Cycle · Engineering & Technology Update · Work Group Updates · User Group Updates · MP&E Steering Committee Update · Flats Strategy Update · Remittance Mail Update Instructions for participating in the webinar appear below: Attendee Information US/Canada Attendee Dial-in: (888) 890-1547 International Toll Attendee Dial-in: (484) 487-2636 Conference ID: 83242967 Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?t=a&d=993051232> If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <http://usps.webex.com> Event Number: 993 051 232


 **ABCNews:** Hewlett-Packard Co. has agreed to pay \$32.5 million to settle allegations it overcharged the U.S. Postal Service for products over more than eight years. In the dispute, the United States alleged that HP failed to comply with pricing terms of its contract with the Postal Service. This included a requirement that HP provide prices that were no greater than those offered to its other customers with comparable contracts. The United States also alleged the company misrepresented its pricing during contract negotiations and its plans to ensure it would bill at the required most-favored-customer rate. The overcharging allegedly occurred between October 2001 and December 2010. The matter was jointly investigated by the U.S. Postal Service, Office of the Inspector General and the Department of Justice's Civil Division.

 **At the Postal Regulatory Commission:** [Postal Regulatory Commission Meeting](#), Wednesday, September 10, 2014, at 11 a.m., Commission Hearing Room, 901 New York Avenue NW, Suite 200, Washington, DC 20268-0001.


 **Politico:** Lawmakers arrived on Capitol Hill Thursday with a lengthy list of critical issues to handle and little time to finish them. It didn't go so well.


 **The Telegraph:** Technology like Tor, which allows users to browse the internet anonymously, and unregulated digital currencies such as Bitcoin have allowed a crop of online marketplaces for illicit goods and services to spring up. These websites, which are like an Amazon.com for drugs and guns, have soared in popularity in recent years. Now new figures reveal that the number of adverts for illicit drugs on the "dark net" - the part of the internet not scanned or searched by Google - has doubled in the past year. Users browsing these dark net marketplaces can search for specific drugs, read adverts from thousands of dealers and even check ratings and reviews given by previous customers. By ordering with Bitcoin they can remain relatively anonymous and the goods will be delivered through the postal system.


 **Fast Company:** For about a year now, the U.S. Postal Service has been looking pretty good. Newly branded signage, mailers, and touchscreens have freshened up the USPS identity. But until this week, no one knew who did the work. New York studio GrandArmy has stepped forward to claim the project. And in doing so, the designers have revealed a part of the design process we rarely get to see: They've shared their original ideas for the rebranding--pieces of their work that USPS then altered, without further consulting the agency.

 **Direct Marketing News:** The U.S. Postal Service has become very good at closing and consolidating postal facilities. 82 More Postal Facilities to Close; Mailers Expect Not to Notice Postmaster General Patrick Donahoe It may not be something that Postmaster General Patrick Donahoe and his COO Megan Brennan are likely to take credit for in public, but the U.S. Postal Service has become very good at closing and consolidating postal facilities.

So good, in fact, that when Donahoe announced in June that the Postal Service would begin implementation of Phase 2 of its Network Rationalization Plan, mailers reacted with a yawn. The Phase 1 shutdown of 141 mail processing facilities completed in 2013 barely caused a ripple in their on-time delivery rates, and they're expecting more of the same this time around. Phase 2 will commence in January 2015 and be completed by the fall mailing season.

 [Wall Street Journal](#): All wrapped up and nowhere to go. Royal Mail RMG.LN +0.30% soared after its controversial float last October. But despite a 26% pullback in the shares this year, the U.K. postal operator still trades on 14.1 times forecast 2015 earnings, a 14% premium to European postal peers based on Jefferies estimates. It could struggle to deliver. Some premium might look warranted: Royal Mail gets just over half its sales from delivering parcels in the U.K., a market the company expects to grow 4% to 5% a year. But the parcels business is where Royal Mail is faltering: Volumes rose just 1% in the three months to the end of June, admittedly a seasonally weak quarter, and sales fell 1%. There are two key concerns. First, competition in parcels is mounting. Second, the outlook for letters, already in structural decline, could be dimming too.

 [Post & Parcel](#): Poste Italiane has demanded a review into the way Italy's universal postal service is funded, after the communications regulator granted it half the funding requested to cover the years 2011 and 2012.


 [The Local](#): Italy's state-owned Poste Italiane will invest €70 million in the struggling Alitalia as part of a plan to enable a merger with Abu Dhabi's Etihad, the company said in a statement.


 [From the Federal Register](#):


Postal Service	
RULES	
Revised Service Standards for Market-Dominant Mail Products:	
	Designation of Implementation Date ,
	44700-44701 [2014-18223] [TEXT] [PDF]



[Dead Tree Edition](#): The rise of online purchasing is boosting the partnership between United Parcel Service and the U.S. Postal Service – and fueling their rivalry as well. Volume for UPS SurePost – lightweight parcels that are typically handed over to the Postal Service for final delivery to residential addresses – were up more than 60% in the past year. The big shipping company is also wary of the Postal Service trying to steal market share with its recent proposal to slash prices on some commercial parcel shipments. Both UPS and FedEx contend the Postal Service has shifted too much of its cost burden to "market-dominant" mail classes like First Class and Standard, which enables it to keep package prices artificially low.


 [The Jewish News](#): The Jewish News received a note today from Ruchie Weisberg, who attempted to mail a package to Israel today but was told no by the Southfield Post Office on W. 11 Mile Road. "With no explanation other than they received an e-mail from 'above' not to accept packages to Israel," Weisberg wrote. "They didn't say whether this policy was for any other countries in the Mideast." A quick look online showed that no media announcement regarding such a policy was sent out by the U.S. Post Office, and a media relations officer I spoke with on the phone didn't know anything about it.

 [KOAT](#): A U.S. Postal Service supervisor told Action 7 News there have been numerous reports of people breaking into cluster mailboxes and package mailboxes this week.

 [EPA](#): Leaders from the White House Council on Environmental Quality, U.S. EPA, GSA, and U.S. Postal Service, along with electronics industry stakeholders, will hold a meeting on Monday, August 4, 2014 to discuss progress on the National Strategy on Electronics Stewardship and participation in the U.S. Postal Service BlueEarth® Federal Recycling Program. The U.S. Postal Service BlueEarth® Federal Recycling Program is available to participating federal agencies and their employees to send used electronics through the mail to a

certified electronics recycler at no cost to the agencies. In 2013, approximately 973,000 federal employees and contractors were eligible to participate in the USPS BlueEarth® Federal Recycling Program. With the recent participation of additional agencies, the program may now reach a potential of more than 1.7 million eligible federal employees and contractors.



Federal News Radio:  The Department of Labor files a lawsuit against the Postal Service. Labor says USPS made bogus terrorism charges against an employee to retaliate when he reported unsafe working conditions. David Hendel is a partner and government contracts attorney at Husch Blackwell. On In Depth with Francis Rose, he said the actions of the Postal Service should serve as a warning for both federal employees and contractors.

Fulton Sun: The Smithsonian's traveling exhibit "Mail Call" will stop in Fulton on its national 15-city tour. The exhibit will be at the National Churchill Museum on Westminster College's campus from Aug. 9 through Oct. 19. Mail Call tells the story of military mail and communication during times of conflict. Amy Cantone, archivist and curator at the National Churchill Museum, described the exhibit as dynamic. She said it is a good fit for the National Churchill Museum because Churchill cared about all troops. She said Mail Call is a way for the museum to honor those who served.



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

- According to Senator Sanders, "Postal Service finances look poor on paper because a law signed by President George W. Bush in 2006 created a unique and unnecessary requirement for the Postal Service to pre-fund 75 years of future retiree health benefits over a 10 year period. This onerous burden would cost \$5.5 billion a year. In fact, however, the payments have not been made in recent years. Moreover, the fund already has more than enough money to cover retirees' health care needs. "The Postal Service is not going broke," Sanders said, despite claims by critics who would dismantle the institution."
- According to PostCom and others, "The Postal Service submitted the June 2 report only after the Commission twice ordered the Postal Service to do so. Order No. 1926 (Dec. 24, 2013) at 183 (directing USPS to submit report); Order No. 2075 (May 2, 2014) (denying 11th-hour USPS motion for stay but extending compliance deadline). The belated report is a non-response response. The Postal Service asserts that it "is not in a position to present a definite 'plan' at this time, irrespective of whether the requirement to implement such a plan withstands appellate scrutiny." Report at 1-2. The Postal Service is still preparing "options" for "the Governors to consider at the appropriate time"; the "specifics of the eventual plan" will not "emerge" until "a later date" because "the task of preparing a plan . . . involves a myriad of moving parts." Id. at 2. In fact, the requirements for removal of the exigent surcharge are clear."
- Senate committee holds business meeting. All the Post Office needs is a little repackaging. USPS hiring administrator to oversee firing. Online change of address to speed up MPS mail delivery. UPS doubles carbon intensity goal for 2020. USPS spanked over insurance ads. Door slamming on home mail delivery?
- Announcements concerning the Domestic Mail Manual and USPS industry alerts.
- This week's listing of postal notices in the Federal Register.
- Announcements on recent reports, projects, and blog entries of the USPS OIG.
- International postal news
- Postal previews.

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



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