



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."


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Postal News for September 2013


September 30, 2013


PostCom Members: The 2014 price charts for both the CPI price change and the total price change (exigency plus CPI) have been posted on this site.


 **TechCrunch:** Last year, Google acquired Waterloo-based startup BufferBox, which provides shipping locker service to make it easy to get things delivered reliably even when you're not sure where you'll be when they're arriving. The startup built its service on the idea that people never want to see another missed delivery door tag ever again, and began rolling out availability in Toronto, a big consumer market near its HQ last year. BufferBox is now venturing further afield (as teased earlier this year), with a program expansion in San Francisco that takes its kiosk service closer to Google's home territory. The BufferBox model allows local businesses to essentially become a substitute post office, receiving packages on behalf of BufferBox users during business hours when they're guaranteed to have someone on staff to accept delivery. Members then get an email notification as soon as the package is delivered so they know when to go to the local business and grab it.


 **Attention Postal One! Users:** You are receiving this email to inform you that the PostalOne! telephone system is experiencing intermittent outages. Our service provider is currently working the issue and we will update you with our telephone status. The phone issues have not completely prevented calls from coming through, but we wanted you to be aware that there may be extended wait times until the issue is completely resolved. Please also use our email address postalone@usps.gov to contact the PostalOne! Help Desk with any issues, should you have trouble reaching us by phone.


 **The Verge:** The days of an ad-free Gmail experience on Android may be coming to an end. According to Android Police, the latest version of Google's email app contains references to built-in advertisements.


 **Fermanagh Herald:** People here have been venting their frustration at the cost of posting a letter from anywhere in the north to south of the border which is almost four times more than to anywhere in the UK. To post a standard letter to anywhere in the UK will cost 60 pence but the same letter will set you back £2.38 if it is sent over the border. Sending a small parcel that weighs up to 1kg from anywhere in Northern Ireland to anywhere in the UK will cost you £4.10, however the same parcel sent across the border will set you back £7.85. Royal Mail class the Republic of Ireland under the 'Europe' zone meaning locals will be forced to pay the same to post a letter to Croatia as they will to Cavan.


 [Bloomberg](#): Deutsche Post AG, Europe's largest postal service, raised a 2 billion-euro (\$2.7 billion) credit line as German borrowers take advantage of falling interest rates to refinance bank debt.


 [The Courier](#): Workers in hundreds of Crown post offices are staging a fresh strike in a long-running row over jobs, pay and closures. Members of the Communication Workers Union in England, Wales, Northern Ireland and most of Scotland will walk out, followed by a strike in a handful of branches in Scotland on Tuesday. It will be the 12th round of industrial action since Easter, while staff are also taking other forms of action including a sales ban on financial products and services. The union is opposed to plans to franchise or close 75 Crown offices, the larger sites usually found on high streets.

 [Chattanooga Times Free Press](#): The solution to the U.S. Postal Service's reduced operating hours at many of its rural offices is sprouting up like dandelions all over the region. Federal officials in Alabama say they were shooting for establishing 20 "Village Post Offices" by today and are nearly there. Tennessee and Georgia also are starting to gain some locations, though not as many so far. A Village Post Office, or VPO, might be found in convenience stores, gas stations, local businesses, libraries and inside other government agencies. They are operated by management of the location, postal officials said. Operator compensation at each location is negotiated. VPOs offer a range of popular products and services -- the ones most used by customers -- including post office boxes, "forever" stamps, pre-paid Priority Mail flat rate envelopes and a mail collection box.


 [PRWeb](#): Letter and parcel delivery services have a buyer power score of 3.2 out of 5; the higher the score, the better negotiating conditions for buyers. Weak service differentiation between letter and parcel delivery service providers results in intense competition for most markets; however, lower per-unit operating costs for large suppliers have resulted in a concentrated market. Current major vendors include the US Postal Services, UPS, FedEx and OnTrac. Says IBISWorld procurement analyst Agata Kaczanowska, "The top three suppliers have largely comparable services and many buyers use all three companies as well as smaller regional delivery services." Most buyers are familiar with such delivery services and the top suppliers, so they regularly compare prices and features to get the best deal on letter and parcel delivery services. As a result, intense competition is advantageous to buyers, especially high-frequency and high-volume buyers that have greater leverage.


 [At the Postal Regulatory Commission](#): Public Meeting, Wednesday, October 9, 2013, at 11 a.m., Commission Hearing Room, 901 New York Avenue NW, Suite 200, Washington, DC 20268-0001. Portions Open to the Public 1. Report from the Office of Public Affairs and Government Relations on legislative activities and the handling of rate and service inquiries from the public. 2. Report from the Office of General Counsel on the status of Commission dockets. 4. Report on handling of rate and service inquiries from the public. 5. Report from the Office of the Secretary and Administration. Chairman's Public Comment Period Portion Closed to the Public 7. Discussion of pending litigation. For more information, please contact: Shoshana M. Grove, Secretary of the Commission, at 202-789-6800 or shoshana.grove@prc.gov

 [Express & Star](#): The Dutch-owned firm is to start deliveries in Greater Manchester in November, following trials of its service in parts of London. The company said it aimed to create 20,000 jobs in the next five years in its end-to-end business to consumer delivery service.


 [Dead Tree Edition](#): Because of a provision in the recently announced postal rates, mailers and printers have four months to overhaul the way they prepare catalogs, magazines, and other flat mail. The coming changes raise a variety of uncertainties for flats mailers, printers, and the U.S. Postal Service itself. And they will make it difficult for many mailers to project how much the new rates will cost them.


September 29, 2013


 [The Australian](#): Malcolm Turnbull has promised postal workers the Coalition has no plans to privatise Australia Post or change the regulations that govern it.


 [Wall Street Journal](#): The federal government moved closer to a partial shutdown Sunday as Republican and Democratic lawmakers showed no signs of negotiating through a standoff over the implementation of President


Barack Obama's health law. The standoff left little prospect that Congress could reach agreement on terms for funding the government by midnight Monday, when the current fiscal year expires. A shutdown would leave essential services operating but prompt federal agencies to suspend many functions and furlough hundreds of thousands of workers.

 [Bonney Lake Courier-Herald](#): A mail thief who broke into locked mailboxes to steal checks and identities was sentenced today in U.S. District Court in Seattle to 44 months in prison and four years of supervised release, announced U.S. Attorney Jenny A. Durkan.


 [Yahoo! News](#): A Singaporean state-backed fund is poised to become a significant shareholder in Royal Mail amid strong overseas demand for the postal operator's shares. Sky News has learnt that the Government Investment Corporation (GIC) of Singapore has placed an order as part of the £3bn privatisation of Royal Mail, further details of which were announced last week.

 [Greenville Online](#) [Editorial]: Yet another bill to reform the United States Postal Service is being considered by a heretofore obstinate Congress that has steadfastly refused to take any constructive action to fix the privately funded, congressionally controlled agency's financial situation. Even as the proposal is being considered, Postmaster General Patrick Donahoe told Congress that the Postal Service's situation is desperate, so dire, in fact, that the agency on Wednesday requested a 3-cent increase in the cost of sending a piece of first-class mail. The agency last raised first-class postal rates last January. The proposed increase would take effect this January if approved by the Postal Regulatory Commission. The repetitive exercise of presenting postal reform legislation that goes nowhere is becoming yet another tiresome example of a Congress — on both sides of the aisle — that refuses to take any action that has even a hint of compromise. This is not a path to sustainable government.

 [Washington Times](#): Britain announced a new proposal for mail delivery this month. It will privatize its postal service, the Royal Mail. Estimated to be worth nearly three billion pounds (\$4.8 billion), the Royal Mail will begin selling shares of stock to potential investors sometime in the next few weeks. The United States should think twice before following Britain's lead. The Royal Mail has problems. It appears profitable on paper — Royal Mail's operating profit tripled in the last year, to just over \$600 million — but this is misleading. The Mail would not be turning a profit if the government had not paid off the \$6.9 billion deficit in its pension fund last March. The United States Postal Service (USPS) is having an even harder time. Last year, the Postal Service reported a record loss of \$15.9 billion. Most of this is due to future health and retiree benefits for postal workers.

 [The People's Voice](#): The Postal Service Modernization Bills brought by Peter DeFazio and Bernie Sanders, on the other hand, would allow the post office to recapitalize itself by diversifying its range of services to meet unmet public needs. Needs that the post office might diversify into include (1) funding the rebuilding of our crumbling national infrastructure; (2) servicing the massive market of the "unbanked" and "underbanked" who lack access to basic banking services; and (3) providing a safe place to save our money, in the face of Wall Street's new "bail in" policies for confiscating depositor funds. All these needs could be met at a stroke by some simple legislation authorizing the post office to revive the banking services it efficiently performed in the past.

September 28, 2013

 [Post&Parcel](#): US mailers have vowed to fight tooth and nail against the four-times-inflation postal rate increases being proposed by the Postal Service. USPS announced plans to charge businesses 5.9% more to deliver their mail from 26 January, 2014, a 4.3% increase above the rate of inflation. The Postal Service, which is usually limited by an annual price cap to making rate increases averaging the rate of inflation, can only ask for above-inflation price increases if it can show there are "exceptional or extraordinary" circumstances threatening its business.



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

- The Postal Service has filed two price requests before the Postal Regulatory Commission this week. The first was a notice of market-dominant price adjustment using the available CPI cap of 1.696 for the five market dominant products (First-Class Mail, Standard Mail, Package Services, Periodicals, and Special Services). The second was a renewal of the exigent request that was first made in 2010. The Postal Service has requested an across-the-board increase average of 4.3 percent that would be in addition to the CPI case.
- The U.S. Senate Committee on Homeland Security & Governmental Affairs held a second postal hearing, "Outside the Box: Reforming and Renewing the Postal Service, Part II - Promoting a 21st Century Workforce," on September 26. Here are the highlights.
- According to Mickey Barnett, the Chairman of the USPS Board of Governors, "[u]nder current laws, the Postal Service simply lacks the authority to fully pursue financially responsible and appropriate strategies for controlling costs and generating new revenue that are far preferable to price increases. As a result of these limiting factors and urgent financial needs, and in order to address the extraordinary and exceptional circumstances which have occurred, the Governors have directed the Postal Service to file pricing adjustment requests with the Postal Regulatory Commission by September 26 that include a 1.6 percent increase in market-dominant products (First-Class Mail and Standard Mail) consistent with the increase in the Consumer Price Index (CPI). The Postal Service will also file a request for an additional 4.3 percent price increase in market-dominant products, which is subject to a 90-day review, and which is necessary in order to ensure that the Postal Service will be able to maintain and continue the development of postal services of the type and quality which this country needs. These adjustments are designed to raise \$2.0 billion in incremental annual revenue.
- According to Dead Tree Edition, "[a]ll of that inaction makes yesterday's announcement scary for the business mailers that provide the bulk of the Postal Service's revenue. We can see what's coming: Congress members will continue nagging the Postal Service to be more businesslike while forcing it to do something very un-businesslike – raising prices in the face of increased competition and declining demand. What we mailers see is not a one-time price hike but rather the first of many "emergency" increases that will increasingly thrust USPS into a death spiral. Congress will keep blocking meaningful action on the Postal Service. But USPS customers (and employees) will be the ones who are punished."
- According to David Hendel, "[t]he Postal Service is right to object to the OIG's recommendation due to the additional burden it would place on suppliers and the agency, with little to no tangible benefit. If the President's Commission on the Postal Service were around today, it would probably agree with management as well, because it recommended employing commercial best practices. One of those best practices is to reduce the amount of risk and uncertainty that suppliers take on under a contract. The less risk that a supplier faces, the lower its price can be. Having the Postal Service enact TINA by administrative fiat would substantially increase that risk. The end result would be a lot more information exchanged, a lot more time consumed in the process, a lot fewer suppliers interested in participating, a lot more work for lawyers like me, and a lot higher prices. Let's hope Postal Service management holds firm on this one."
- USPS pays futurist to study stamps' fate. Senator Carper comments on USPS' price announcement. CAGW opposes USPS proposal for postage price increase. Study says 5% of Americans find the internet pointless. Senator Coburn comments on USPS' price announcement. eMarketer: 2013 mobile ad spending up 80%.
- An update from the Federal Register.
- An update from the USPS Office of Inspector General.
- An update on postal happenings across the world.

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Postal Regulatory Commission:

- [Shutdown Plan](#) for the Postal Regulatory Commission
- [Docket No. R2013-10](#): Order establishing docket to consider planned CPI price adjustment in rates, fees, and classifications for market-dominant postal products and services. Comments are due to the Commission by October 16, 2013.



[USPS Webinar Series](#): Migrating to Full-Service IMb Webinar Series. Effective January 26, 2014, the use of Full-Service Intelligent Mail is required to qualify for automation prices for First-Class Mail[®] postcards, letters, and flats, Standard Mail[®] letters and flats, Periodicals[®] letters and flats and Bound Printed Matter[®] flats. The Postal Service is offering a series of webinars which are designed to assist mailers with participation in Full-Service Intelligent Mail.

A Full-Service "Open-Line" call is scheduled for every Wednesday from 2:00 PM to 3:00 PM eastern time. USPS representatives will be online to answer any questions related to Full-Service Intelligent Mail. Log on and Audio for the November webinars will be provided at a later date. Please log on to [RIBBS/Intelligent Mail Services/Education](#) for complete information, updates and links to webinar recordings and presentations.

[The Guardian](#): The government is racing to push through the £3.3bn privatisation of Royal Mail before postmen and women have the chance to walkout on strike against the "great British flog off". Vince Cable, the business secretary, on Friday announced the coalition will sell up to 70% of the 497-year-old [postal service](#) on the stock market on 11 October. The announcement comes on the day that more than 100,000 postal workers begin voting on whether to take days of paralysing strike action. But the result of the ballot will not be known until 16 October with the earliest legal strike date not until 23 October.

[CBS News](#): Delivering the mail can be dangerous and costly: dog bites, falling, being "struck by flying objects". How much are on-the-job injuries costing the United States Postal Service (USPS)? According to a new report, it's \$3.7 billion. The Government Accountability Office (GAO) looked at 32,213 accident reports from postal workers in 2012, 36 percent of which occurred during mail delivery. The report found that "despite declines in USPS's OSHA illness and injury rate" delivering the mail remains a disproportionately dangerous task.

September 27, 2013




[Office of Inspector General](#): OIG USPS Shutdown Plan to OMB.


[Memphis Democrat](#): U.S. Congressman Sam Graves (MO-06) on September 12th sent a letter to the United States Postal Service (USPS) asking the agency to reassign zip codes for north Missouri residents currently serviced by Iowa zip codes. The present situation has led to difficulties in obtaining health insurance, forwarding mail, and contacting Congressman Graves' office. The counties affected include Atchison (zip code 51640), Nodaway (51630), Harrison and Mercer (50065), Scotland (52542, 52573) and Clark (52626).


[Fierce Government](#): Reforming Postal Service healthcare so retirees utilize Medicare would save USPS money and help keep the agency solvent, USPS Postmaster General Patrick Donahoe told a Senate panel Sept. 26. Moving USPS retirees out of Federal Employees Health Benefits plans and into a separate plan that integrates with Medicare would reduce the amount the Postal Service spends on health care from 20 cents of every revenue dollar to 8 cents, Donahoe said at a Senate Homeland Security and Governmental Affairs Committee [hearing](#).

[The Street](#): Shares of Netflix rose Monday despite news that cutbacks at the U.S. Postal Service could lengthen first-class delivery times. Shares of the DVD-by-mail and streaming content company advanced \$3.75, or 5.7%, to \$70.12, closing above \$70 for the first time since Nov. 22. Netflix is a huge customer for the U.S. Postal Service, spending roughly \$600 million annually, according to the *Associated Press*. The company is emphasizing its


streaming business but still counted 13.93 million DVD-by-mail subscribers vs. 21.45 million streaming subscribers at the end of the third quarter.


 **Prensa Latina:** Express mail service executives in China are studying the possibility of using unmanned aircraft that can fly at an altitude of around 3,000 feet and move cargo closer to its final destination by means of a navigation system. According to a report by the newspaper China Daily, the test drones are equipped with eight propellers and a cargo bay, and would be used to transfer consignments to remote areas of difficult access or to do pickups from those regions.


 **Office of Inspector General Blog:** [Exigent Price Increase Proposed](#). The U.S. Postal Service's governing body, the Board of Governors, voted this week to request permission to raise postage prices above the inflation-based price cap to generate \$2 billion in revenue in 2014. It is asking the regulator, the Postal Regulatory Commission (PRC), to allow the Postal Service to raise the price of a stamp by 3 cents (to 49 cents), which is 2 cents more than the annual inflationary increase. Prices on other single-piece and commercial mail products would also increase. This request is known as an "exigent" price increase because it will exceed the statutorily mandated price cap that is tied to growth in the Consumer Price Index (CPI). What do you think? Share your thoughts on the proposed exigent price increase.


 **USPS Proposed Price Change Webinar:** Tuesday, October 1 at 2:30PM (EST). Chief Marketing and Sales Officer, Executive V.P. Nagisa Manabe and Sales V.P. Cliff Rucker will host a webinar describing the proposed price change which was filed with the Postal Rate Commission. Please join us for this informative webinar. To attend:

- To Dial in for audio teleconference: US/Canada Attendee Dial-In: (888) 890-1547; Conference ID: 72522257
- To attend the WebEx portion of the meeting: [Attendees Direct URL](#)

 **Affordable Mail Alliance:** Today the Affordable Mail Alliance (AMA), a broad coalition of postal customers and suppliers, announced its deep disappointment in the U.S. Postal Service Board of Governors' decision to formally request an "exigent" postal rate increase that, if approved, would result in an average January 2014 postage hike of just under six percent, almost four times the rate of inflation. They also voiced their united determination to oppose the request at the independent Postal Regulatory Commission.

 **BrownCafe:** comScore, Inc., a leader in measuring the digital world, and UPS (NYSE: UPS) today released the global study in the UPS Pulse of the Online Shopper™ series, revealing online shoppers are looking for more control over their shipping and delivery experiences. The study includes data from more than 14,000 frequent online shoppers in the U.S., Canada, Europe, Asia, Australia and Mexico. According to the report, shoppers in the U.S. are the most satisfied with online shopping experiences at 83%, while consumers in the Asia Pacific are least satisfied at only 50%. The flexibility around delivery and returns were among the areas with the least satisfaction across the globe.


 **DeadTreeEdition:** All of that inaction makes yesterday's announcement scary for the business mailers that provide the bulk of the Postal Service's revenue. We can see what's coming: Congress members will continue nagging the Postal Service to be more businesslike while forcing it to do something very un-businesslike – raising prices in the face of increased competition and declining demand.


 **Multichannel Merchant:** Catalog mailers may see, on average, a 5.9% postal rate increase based on price changes the U.S. Postal Service has proposed to the Postal Regulatory Commission, according to a statement emailed to Multichannel Merchant by the American Catalog Mailers Association.


Lots of news on the postal price announcement. Here are just a few:


- [USA Today:](#) Postal Service pushes rate hike


- [Epoch Times](#): Postal Service asks Congress for another rate hike
- [AdWeek](#): Postal Rate hikes disappoint mailing industry
- [Washington Post](#): Postmaster says given money woes, his agency had no choice but to ask for price increase
- [Fox Business](#): USPS proposed three-cent hike on stamps
- [Advertising Specialty Institute](#): Postal Service planning rate hike
- [eCommerce Bytes](#): Sellers to pay more for Media Mail, Parcels under USPS plan

 [Express&Star](#): Shares are expected to be priced at between 260p and 330p, giving a market valuation in the range of £2.6 billion and £3.3 billion. Unconditional dealings in the stock will start on October 15, which is the day before voting closes in a ballot by the Communication Workers Union (CWU) over whether to back a campaign of industrial action on the sale. Any strike action would start a week later. Around 150,000 eligible staff will be handed 10% of shares in the largest free stock offer of any privatisation in the UK over the past 30 years. This is equivalent to around £2,000 each at the mid-point of today's offer price range. Also see [Washington Post](#).

 [GovExec](#): Lawmakers pledged to deliver a postal overhaul bill through Congress by the end of the year as agency officials and stakeholders debated potential benefits reforms for employees and retirees, during a Senate hearing Thursday. Proposals to shift postal retirees away from the Federal Employees Health Benefits Program to Medicare to cut health care costs remained a sticking point, with Postmaster General Patrick Donahoe insisting any legislation require all eligible retirees enroll in "wraparound" Medicare packages. Under this plan -- the key piece of the Postal Service's health care reform blueprint to reduce the agency's liabilities and eliminate the need for prefunding -- retirees would depend on Medicare Parts A and B for medical treatment and Part D for prescription drugs, while FEHBP would fill in the voids for expenses Medicare does not cover. Also see [Parcel & Post](#), [FederalNewsRadio](#).

 [Star-Telegram](#): A precipitous drop in the volume of mail coursing through the U.S. Postal System will lead to consolidation of urban carrier routes, possibly affecting daily delivery times for millions. And your mailman may not be a familiar face.

 [Wales Online](#): Plaid Cymru leader Leanne Wood has intervened in the row over Royal Mail privatisation by unveiling a "Welsh way forward" that would see the UK Government surrender its Welsh postal interests to Wales. Ms Wood says a legal precedent exists for such a move and cited the 1969 Post Office Act, which removed postal services from government departmental responsibility to a public corporation and made provision to surrender postal services to the governments of the Channel Islands and the Isle of Man.

 [Prague Daily Monitor](#): Employees of the Ceska posta state-controlled postal company protest against strong pressure exerted on them by the management to sell life insurance, phone cards and other products, daily Mlada fronta Dnes (MfD) writes yesterday. A group of postal employees headed by Miroslav Prokop handed a petition protesting against the improvement of the conditions of their work to Czech Senators on Wednesday. The petition has been supported by more than 11,000 people, the paper writes. The postal unions are now awaiting a public hearing in the Senate.



From the Federal Register:

- **Postal Regulatory Commission**: Notices: New Postal Products, 59734-59735 [2013-23536] [\[TEXT\]](#) [\[PDF\]](#)
- **Postal Regulatory Commission**: Notices: New Postal Products, 59733-59734 [2013-23605] [\[TEXT\]](#) [\[PDF\]](#)

September 26, 2013



[USPS](#): Letter from the Chairman of the Board of Governors



USPS has renewed its [R2010-4 Exigent Request](#). USPS: The Commission has already found, in two orders in this docket, that the recent recession constituted "extraordinary or exceptional circumstances." The Request is therefore premised on the recent recession as an exigent event. By econometric analysis, the Postal Service calculates that it has lost approximately 53.5 billion mail pieces due to the recession in Fiscal Year (FY) 2012, resulting in a contribution loss of approximately \$6.65 billion in that year alone. The Request proposes price increases to recover a modest proportion of that lost contribution, approximately \$1.78 billion. By not exceeding the "net adverse financial impact" of the recession, this increase satisfies the "due to" clause of the exigency provision. The price increases average to 4.3 percent and, if approved, will be implemented on January 26, 2014.

Note: The exigent request is on top of the CPI increase. Attachment A in the exigent request shows the NEW total price for each price cell.

First-Class Mail (FCM)	% Change
Single Piece Letters and Cards	4.276
Presort Letters & Cards	4.291
Flats	4.627
Parcels	4.349
FCM International	2.393
Standard Mail	
Letters	4.259
Flats	4.283
Parcels	4.335
High Density/Saturation Letters	4.212
HD/Sat Flat/Parcels	4.261
Carrier Route	4.288
EDDM-Retail	4.167
Periodicals	
Outside County	4.297
Within County	4.306
Package Services	
Alaksa Bypass	4.232
Bound Printed Matter Flats	4.626
Bound Printed Mail Parcels	4.484
Media Mail /Library Mail	4.304
Special Services	4.318



USPS Notice of Market-Dominant Price Adjustment [[PDF](#)] [[XLS](#)] [[XLS](#)] - Highlights include:

- USPS plans on 8 promotions and 1 incentive for 2014
- USPS maintained Full Service Intelligent Mail barcode discount
- First-Class Mail average 1.587
 - First-Class Mail Single Piece = 1.141; while Presort letters was 1.615

- Residual Single Piece. Residuals from uniform 1-ounce presort letter mailings will pay the 1-ounce Metered letter rate of 46 cents. Residuals from uniform 2-ounce presort letter mailings will pay the 2-ounce Metered letter rate of 66 cents; and residuals from mixed mailings of 1-ounce and 2-ounce letters will pay the Residual rate of 48 cents.
- Standard Mail average 1.609
 - Letters 1.614; Flat 1.809; CR 1.666; EDDM 5.0
 - Standard mail flats: In that schedule the Postal Service agreed to increase Standard Flats prices by at least CPI x 1.05 in 2014, 2015, and 2016. The increase proposed in this filing more than complies with that schedule, by increasing flats by CPI x 1.067
 - FSS: the Postal Service will be requiring FSS preparation in DFSS zones. In conjunction with this requirement, the Postal Service is also proposing new FSS pricing for Flats, High Density flats, High Density Plus flats, and Carrier Route flats. The FSS prices for these products will be the rates currently charged for 5-digit Flats, High Density flats, High Density Plus flats, and Carrier Route flats. There will be a \$.001 per piece discount off of the DSCF price, for those pieces brought to a DFSS in scheme bundles on a DFSS scheme pallet. This represents a passthrough of 87 percent from the Origin.¹⁷ The proposed discount is an incentive for the mailers to enter the mail at a plant where there is an FSS machines
- Periodicals average 1.569
 - Outside County 1.563; Within County 1.705
 - FSS: Additionally, similar to Standard Mail, and as discussed above in section III(a)(1) FSS preparation will also be required for Periodicals mail in DFSS zones. The DFSS pound prices will be the same as the DSCF pound prices. FSS pricing at the bundle level, sack level, and pallet level will also be introduced at all entry points. To encourage FSS preparation and destination entry, there will be a price of zero for FSS pallets brought to a DFSS. These changes are based in part on the Commission's suggestion in the FY2012 Annual Compliance Determination Report, that the Postal Service encourage "mailings that can be efficiently processed by current or planned operations.
- Package Services average 1.565
 - Bound Printed Matter flats 0.314; Bound Printed Matter parcels 1.680; Media Mail/Library Mail 2.061
- Special Services 2.500



[Senate Homeland Security & Government Affairs Committee](#) "Outside the Box: Reforming and Renewing the Postal Service, Part II - Promoting a 21st Century Workforce" Witnesses:

Panel I

The Honorable Patrick R. Donahoe, Postmaster General and Chief Executive Officer, U.S. Postal Service

Jonathan Foley, Director, Planning and Policy Analysis, U.S. Office of Personnel Management

Frank Todisco, Chief Actuary, U.S. Government Accountability Office

John E. Dicken, Director, Health Care, U.S. Government Accountability Office

Panel II

Fredric V. Rolando, President, National Association of Letter Carriers, AFL-CIO

John F. Hegarty, National President, National Postal Mail Handlers Union

Robert J. Rapoza, President, National Association of Postmasters of the United States

Douglas J. Holtz-Eakin, Ph.D., President, American Action Forum


Dean Baker, Ph.D, Co-Director, Center for Economic and Policy Research


[A summary of today's testimony and comments has been posted on this site.](#)



[Sen. Thomas Coburn](#): "The Board of Governors is absolutely right to exercise its fiduciary responsibility to

preserve the viability of the Postal Service absent Congressional action, but the issues facing Postal Service require a comprehensive long-term legislative solution," Dr. Coburn said. "I am hopeful both the House and Senate committees and the Administration continue to move forward in supporting bipartisan, commonsense reforms to make the Postal Service fiscally solvent."

 [Mobile Marketing Watch](#): 2013 is shaping up to be a banner year for mobile ad spend. According to the newest projections published this week by eMarketer, total digital spending will balloon 13 percent this year to reach \$117.6 billion. In particular, mobile spending will climb 79.7 percent (year-over-year) to \$15.8 billion. The global research firm believes the spending growth coincides with increasing consumer adoption of mobile across the flourishing digital ecosystem. All told, Internet users make up more than 36% of the global population today. That figure was just 21.7% in 2008.

 [The Verge](#): The majority of Americans use the internet with at least some regularity, but according to a new study from the Pew Research Center, there are still many who see no use for it in their everyday life. Pew's survey, released earlier this week, finds that 15 percent of American adults don't use email or the internet at all. Among this offline population, 34 percent say the internet is simply "not relevant" to their lives, while another 32 percent say they find the web too complicated, risky, or cumbersome to use. An additional 19 percent of non-internet users said they couldn't afford to own a computer or connect to the internet.




[Office of the Inspector General](#):


- [Noncompetitive Purchasing Practices Full Report | Highlights](#)
- [W.F. Bolger Center for Leadership Development Full Report | Highlights](#)




From the Federal Register:

Postal Regulatory Commission	
NOTICES	
New Postal Products ,	
59382 [2013–23379]	[TEXT] [PDF]
Postal Service	
NOTICES	
Product Changes:	
Priority Mail Negotiated Service Agreement ,	
59382–59383 [2013–23385]	[TEXT] [PDF]
59383 [2013–23386]	[TEXT] [PDF]


 [Fort Mill Times](#): Citizens Against Government Waste (CAGW) denounced a proposal made by the United States Postal Service (USPS) to increase the cost of a first-class stamp from 46 cents to 49 cents starting on January 26, 2014. CAGW has long opposed consumer price increases, preferring for Congress to let the USPS operate more like a private-sector business in order to control its operations, cut costs, and reduce the risk of a taxpayer bailout. "USPS teeters on the brink of financial ruin. As with the rest of the nation's fiscal problems, Congress is ignoring the big picture," said CAGW President Tom Schatz. "Accordingly, Congress should resist parochial pressures and allow the USPS to react as any business would to the problem of falling demand for its services: by cutting costs, not increasing prices."


 [Bloomberg](#): The U.S. Postal Service, after failing to get congressional support to change its business model, should raise postage rates beyond the rate of inflation, its board said. A sponsor of postal legislation called the move


a "desperate cry for help." The service's board said it wants to raise the price of a first-class stamp three cents, or 6.5 percent, to 49 cents and to increase rates for magazines, advertising mail and packages more than is allowed without consulting the service's regulator.


 Nominations of [Hon. Tony Hammond and Hon. Nanci E. Langley](#) to be Commissioner, Postal Regulatory Commission October 02, 2013 10:45AM


September 25, 2013


 [Reuters](#): The financially strapped United States Postal Service is paying a futurist more than half a million dollars to assess the future of stamps as the agency struggles to raise revenues. **The Postal Service will pay Faith Popcorn's BrainReserve, which describes itself as a futurist marketing consultancy, \$565,769 to provide "analysis and recommendation on the future of stamps.** The Postal Service is struggling financially under the pressure of massive payments into a mandatory fund for its future retirees' health care and as mail volumes tumble. While \$500,000 is a tiny fraction of the agency's finances, this deal comes at a time when the agency says it is losing \$25 million daily. **Republican U.S. Representative Blake Farenthold of Texas, chairman of the subcommittee that oversees the Postal Service, said the mail carrier should be focusing on other priorities. "While small in terms of the overall crisis USPS faces, this certainly seems like a poor use of its limited funds," he said in response to a question on the BrainReserve contract.** [EdNote: Dear USPS -- Please deduct \$565,769 from your exigency request. I don't think you need us to pay for that.]

 [Alliance of Nonprofit Mailers](#): The Alliance of Nonprofit Mailers wants to know: "Why is the Postal Service failing to share in the general recovery of the American economy? For the same chronic, structural reasons that led to the Postal Service's financial crisis several years ago: (1) the continuing long-term migration of communications from mail to the Internet; (2) an oversized network of undersized and obsolete mail processing facilities; (3) a workforce that is bigger than the dwindling workload requires; (4) a sizeable labor compensation premium, inconsistent with the statutory pay comparability requirement; (5) the accelerated retiree health care prefunding requirements imposed by the 2006 law; and (6) the failure to credit the USPS with its overfunded pension obligations."


 [Paper Age](#): The American Forest & Paper Association (AF&PA) President and CEO Donna Harman today issued the following statement on the United States Postal Service (USPS) Board of Governors' directive for a proposed 5.9 percent across the board postal rate increase for 2014. "Today's announcement of a 5.9 percent postal rate increase is more than troubling. The critical problems of overcapacity and falling demand for mail cannot be solved by raising prices." "AF&PA believes the USPS is relying on an outdated and inelastic pricing model to justify this rate increase. Postal rate increases above inflation will drive customers away and further accelerate the decline in mail volume.


 [Bloomberg](#): Royal Mail Group Ltd., the 360-year-old U.K. postal service, may be valued at as much as 4.3 billion pounds (\$6.9 billion) when it goes public, said people briefed on the estimates.


 [4-Traders](#): Quad/Graphics, Inc. ("Quad/Graphics") announces major enhancements to its interactive offering that provide publishers and marketers with a comprehensive and integrated solution for seamlessly connecting print and digital media for improved reader and consumer experiences. The enhancements include creative design, data analytics, video marketing and optimization, and social media capabilities as well as the newest version of Quad/Graphics' Actable® interactive print application.

 [Crain's New York](#): The board of governors of the U.S. Postal Service, expecting a \$6 billion loss this fiscal year, asked for an emergency price hike on Wednesday, and the magazine industry vowed to fight it. The decision by the board of governors to seek a 4.3% "exigent" price increase comes amid objections from the magazine, newspaper and direct mail industries that the rate hike will do more harm than good to the postal service's bid to increase revenue. According to the MPA, the Association for Magazine Media—which has taken a vocal role in the opposition as part of the Affordable Mail Alliance—the periodicals industry spends \$3 billion a year on postage and will only use the mail less if a significant price hike goes through. The emergency increase, which must still be

approved by the Postal Regulatory Commission, would come atop a 1.6% increase in rates that is tied to the consumer price index. Both hikes would become effective January 26, 2014. "No private company would increase prices when sales are already plummeting," said Mary Berner, CEO of the MPA, in a statement. "The board's request—if approved by the Postal Regulatory Commission—will cause significant declines in mail volume and further job losses across the industry without addressing the USPS's core issues."

 [eCommerceBytes](#): Are there other ways the U.S. Postal Service can get out of the red and into the black...creative ways, perhaps, that wouldn't necessarily involve rate hikes? Are there other ways the Postal Service could save money? Is there a solution to the U.S. Postal Services woes that might make businesses and consumers happy, and the Postal Service at least solvent?

 [Direct Marketing News](#): In a letter to mailers today, Postal Board of Governors Chairman Mickey Barnett announced that the U.S. Postal Service will file a request with the Postal Regulatory Commission (PRC) for a 4.3% increase in Standard Mail. If approved, the exigent increase will come in addition to the standard Consumer Price Index hike of 1.6%, totaling a 5.9% rise in rates for mailers. "We believe seeking a 4.3 percent adjustment above the CPI-U increase for market-dominant products is a moderate course of action given the financial challenges we face," Barnett wrote. "Despite an uncertain legislative process, we are hopeful that legislation can be enacted this year. Nevertheless, without the legal authority to close the budget gap, the price adjustments announced today are necessary." Once it receives the request, the PRC has 90 days to review whether the request meets the criteria of exceptional need for exceeding the cap as set down in the Postal Accountability and Enhancement Act of 2006. In 2010 the PRC shot down a 5.6% exigent increase requested by the Postal Service, and PRC Chairman Ruth Goldway appeared to be anti-exigency in testimony she gave before the Senate Homeland Security and Governmental Affairs committee last week.

 [Sen. Thomas Carper \(D-DE\)](#): Today, Homeland Security and Governmental Affairs Committee Chairman Tom Carper (D-Del.) released the following reaction to the U.S. Postal Service Board of Governors' decision to increase postal rates by 5.9 percent, increasing the price of first-class stamps to 49 cents:

"It's no secret that the U.S. Postal Service continues to face serious financial challenges and is looking for ways to improve its dire fiscal situation. For several years, the Postal Service has moved forward with aggressive measures to cut costs and increase revenue. However, these piecemeal efforts are not enough on their own to fundamentally fix the Postal Service's severe financial problems. While I understand the Board of Governors' desire to take whatever steps that it can do on its own to keep the lights on at the Postal Service, I believe the best way to help the Postal Service gain a sustainable financial footing is through comprehensive postal reform legislation. Ultimately, Congressional action, with the support of the Administration, is the best way to solve the Postal Service's financial crisis and alleviate the need for the Postal Service to take drastic steps independently. Today's decision by the Board of Governors reiterates the serious nature of the Postal Service's financial condition and further underscores the need for Congress to move quickly to pass comprehensive postal reform legislation. I hope this announcement brings key stakeholders to the table and urges all parties to work harder to find common ground."

In August, Chairman Carper and Ranking Member Tom Coburn (R-Okla.) introduced the bipartisan Postal Reform Act of 2013 (S. 1486). The bill seeks to address the Postal Service's financial challenges by helping it streamline operations and giving it new tools the Postal Service can use to introduce innovative new products and generate additional revenue, and do so while preserving essential services.



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

- The United States Postal Service today announced proposed price changes, including an increase in the price of a First-Class Mail single-piece letter from 46 cents to 49 cents. The proposed changes, which would go into effect in January 2014, are intended to generate \$2 billion in incremental annual revenue for the Postal Service. Highlights of the new single-piece First-Class Mail pricing, effective Jan. 26, 2014

include: • Letters (1 oz.) — 3-cent increase to 49 cents • Letters additional ounces — 1-cent increase to 21 cents • Letters to all international destinations (1 oz.) — \$1.15 • Postcards — 1-cent increase to 34 cents Stamp prices have stayed consistent with the average annual rate of inflation of 4.2 percent since the Postal Service was formed in 1971. Pricing for Standard Mail, Periodicals, Package Services and Extra Services also will be adjusted as part of a filing to the Postal Regulatory Commission (PRC) scheduled to take place Sept. 26. The Governors of the Postal Service voted Sept. 24 to seek price increases above the typical annual increases associated with changes in the Consumer Price Index (CPI).

- Members of the mailing community express differing opinions after Senate hearing.
- Postal Commentor, Gene Del Polito provided two articles in 1993 and 1994 that looked at mail's future in regards to the "electronic superhighway."
- The Postal Service published its unaudited August results with the Postal Regulatory Commission. USPS lost \$648 million in August 2013. The Postal Service's controllable operating loss for the month was \$247 million. The Postal Service announced this week that it will be filing an exigency price increase with the Postal Regulatory Commission.
- Higher prices forced by Congress Inaction, US Postmaster says. Few surprises in first of two postal hearings of S. 1486. In Senate testimony, Guffey blasts Carper-Coburn bill. UPS to expand in FedEx's home base, brining jobs, competition. USPS consultant to divine future of stamps under \$500K+ contract. Postal Service set to sell email encryption. Do Amazon's Lockers help retailers? Depends on what they sell.
- An update from the USPS Office of Inspector General.
- Postal previews.

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INDUSTRYALERT

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The Governors of the Postal Service voted Sept. 24 to seek price increases above the typical annual increases associated with changes in the Consumer Price Index (CPI). In a letter disseminated to customers today, Board of Governors Chairman Mickey Barnett described the "precarious financial condition" of the Postal Service and the "uncertain path toward enactment of postal reform legislation" as primary reasons for seeking price changes above the CPI increase. He also indicated that the price adjustment above the CPI increase is necessary in order to ensure that


the Postal Service will be able to maintain and continue the development of postal services of the type and quality which America needs.


"Of the options currently available to the Postal Service to align costs and revenues, increasing postage prices is a last resort that reflects extreme financial challenges," said Barnett in the letter. "However, if these financial challenges were alleviated by the timely enactment of laws that close a \$20 billion budget gap, the Postal Service would reconsider its pricing strategy. We are encouraged by the recent introduction of comprehensive postal reform legislation in Congress, and despite an uncertain legislative process, we are hopeful that legislation can be enacted this year."


Except in exceptional or extraordinary circumstances, postage price increases are capped at the rate of inflation as measured by the CPI-U. The Postal Service is filing a price increase above CPI-U due to extraordinary and exceptional circumstances which have contributed to continued financial losses. The Postal Service recorded a \$15.9 billion net loss last fiscal year and expects to record a loss of roughly \$6 billion in the current fiscal year, and has an intolerably low level of available liquidity even after defaulting on its obligation to make prefunding payments for retiree health benefits.


The PRC will review the prices before they become effective Jan. 26, 2014, and must agree the prices are consistent with applicable law. The new price proposals are scheduled to be filed Sept. 26 and will be available on the PRC website at www.prc.gov and also will be available at <http://pe.usps.com>.

The Governors have announced an across-the-board increase of 5.9% shortly, with 1.6% CPI, and 4.3% exigent. Stamp price 49 cents.


 **Government Executive:** For most people, a stamp is worth a few dimes. For Frank Gaylord, however, it's worth \$684,844. Seven years ago, the sculptor filed a lawsuit against the United States Postal Service for copyright infringement. He said the agency had used, without permission, a photograph of the Korean War Veterans Memorial in Washington, which Gaylord created, for a 37-cent postage stamp commemorating the 50th anniversary of the war. Last week, the U.S. Court of Federal Claims ordered the postal service to pay Gaylord \$684,844 in damages


 **Save the Post Office:** On September 19, Postmaster General Donahoe testified to the Senate Homeland Security Committee about the state of the Postal Service and the dire need for legislation. During his testimony, the PMG made a pledge not to close post offices or processing plants while Congress debated postal reform. It's not a pledge the PMG is likely to keep. In fact, he was already breaking it even as he made it.


 **Novinite:** About 1000 employees of state-owned postal operator are staging a protest in front of the government building in downtown Sofia. Employees from all over the country gathered outside the office of the Council of Ministers to demand an increase in salaries chanting "We want our money!" "We are protesting in front of the government building, because we want our voices to be heard by those in power inside!", declared before the protesters Valentin Nikiforov, Vice president of the Confederation of Independent Syndicates in Bulgaria (KNSB). The government must make all the necessary steps in order to improve the condition of the state-owned Bulgarian Posts EAD, announced Georgi Bochev, Chair of the Communications unit of KNSB. Bulgarian Posts EAD is in dire financial condition and the government is considering various options to stabilize the operator. Transport Minister Danail Papazov announced on September 3 that a strategic partner would be found for Bulgarian Posts EAD by the end of the month which would acquire 49% of the company in order to guarantee efficient and professional management.


 **News in English.no:** Three of the four non-socialist parties that have been negotiating to form a new government have said they don't want to allow the Norwegian postal service (Posten) to maintain its monopoly on delivery of


letters. A coalition among them thus will likely halt the only reservation Norway has raised under its economic agreement with the EU.

 [Associated Press](#): Justice Department lawyers urged a federal judge to allow the government's fraud lawsuit against Lance Armstrong to continue, arguing the U.S. Postal Service was tainted by its sponsorship of his team while he used performance-enhancing drugs to win the Tour de France. The Postal Service, which insists it didn't know about a team drug regimen that was exposed last year by the U.S. Anti-Doping Agency, is permanently linked to what the government lawyers called "the greatest fraud in the history of professional sports" in court records filed Monday night.


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


 PostNL has announced its third price increase within one year. Last Thursday the company declared that standard letters would go up by 4 cent to 64 euro cent from 1 January 2014; this represents an increase of nearly 22 per cent since January 2013.


 The British postal market experienced a further decline in the last year. According to the annual report from regulator Ofcom, the amount of addressed items decreased by 5.9% to 15.7bn consignments. At the same time, the segment's turnover went up by 7% to 8.5bn euro. The reason for this contrasting development was the massive price hike at the beginning of last year (CEP News 14/12), when Royal Mail put the price of a first-class letter up from 46 to 60 pence, while second-class letters went up from 36 to 50 pence. The post was allowed to introduce the new pricing after regulations by Ofcom had eased. *[EdNote: And does anyone realistically expect a different kind of response from customers when the USPS implements its greater-than-inflation exigency increases in postal rates?]*


 The Japanese post appears to renew its attempts at selling its hotels. The company is said to be intent on selling most of its 66 so-called Kampono Yado hotels in order to improve its profitability ahead of the privatisation scheduled for early 2015.


 The last financial year saw the South African Post Office (SAPO) slip into the red. Last week SAPO announced an operating loss of 20.8m euro (previous year: +10.1m euro) on a turnover of 425.8m euro (-0.1%) for the financial year 2012/2013 to 31 March. The decrease was caused by continually shrinking mail volumes, noticeable cuts in government subsidies and, particularly, the postal strike in February and March of this year (CEP News 13/13). The loss of customers and additional costs had amounted to approx. 7.5m euro.


 Cut-backs have enabled FedEx to increase profits considerably on a slightly higher turnover during the first quarter of the current financial year (June-May).


 The last financial year (April-March) left GLS Germany unable to benefit from the booming e-commerce sector.


 Now Canada Post is entering the SameDay market, too. According to a company announcement last week a pilot project has been launched in the Greater Toronto area together with electronics providers Best Buy and Future Shop, the Indigo bookstore and Walmart.

 Amazon has suffered a setback in the expansion of its network of automatic parcel machines in the US. »Businessweek« (20.09) reported that office supplier Staples and electronics supplier Radioshack had ended their cooperation with Amazon and removed all Amazon lockers from their outlets. Expectations of a higher turnover from additional walk-in customers appear to have been disappointed.


 By restructuring logistics operations, Swiss Post hopes to make better use of its existing infrastructure.

 A breakthrough was achieved last week in the collective bargaining for Deutsche Post subsidiary DHL Home Delivery GmbH.


 TNT Post Deutschland has increased its share in Bremen-based Nordwest Mail GmbH. Last Friday Germany's biggest private mail service provider said the share had been raised from 25.1 to 50%. TNT CEO Rüdiger Gottschalk described the move as an 'investment in the future'.


 The domain ending .post, which has been available since last year (CEP News 41/12), has now got almost 30 users. The Universal Postal Union says the ending is used by a number of post companies in developing countries but also by their counterparts in the USA, China, India, Italy


and the Netherlands. The so-called .post Group is headed by Mark Fardelli of Poste Italiane as its chairman.

 In Sweden mail volumes continue to decline, too. Regulator PTS said that the number of addressed items fell by 4.4 per cent in 2012 to 2.65bn consignments in total. The Swedish post had a share of more than 87 per cent of the market. Bring CityMail, a subsidiary of the Norwegian post, remained the only relevant business rival with an almost 13% market share.

 UPS is launching the parcel shop network in Germany on 1 October.

 Despite an agreement having been reached between the post and the trade unions (CEP News 38/13), strikes appear to continue in many parts of Brazil.

 Is FedEx trying to move into the backyard of DHL? In Germany, the lobbying group against night flights at Leipzig/Halle airport claims to have gleaned information, according to which local authorities are currently involved in negotiating a deal concerning a possible location of the US integrator at the airport, which is also the European hub of DHL.

 Despite reservations voiced by the Ministry of Finance, India Post intends to ask the government next month for a capital injection of 225m euro towards the transformation of the post bank into a fully-fledged commercial bank.



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


 [Fox Business](#): "Postmaster General: Looking at plan to generate additional funds"



At the Postal Regulatory Commission:

- USPS Preliminary Financial Information (Unaudited), August, 2013
<http://www.prc.gov/docs/87/87909/2013.9.24%20August%20FY2013%20Report%20to%20the%20PRC-attachment.pdf>
http://www.prc.gov/docs/87/87909/Letter_PFI_Aug2013.pdf
- National Trial Balance, August 2013 (FY 2013); and Statement of Revenue and Expenses, August, 2013 (FY 2013) -
[http://www.prc.gov/docs/87/87908/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20%20August,%202013%20\(FY%202013\).xls](http://www.prc.gov/docs/87/87908/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted,%20%20August,%202013%20(FY%202013).xls)
http://www.prc.gov/docs/87/87908/Letter_NTB-SRE_Aug2013.pdf
[http://www.prc.gov/docs/87/87908/National_Trial_Balance_-_Redacted,_August,_2013_\(FY_2013\).xls](http://www.prc.gov/docs/87/87908/National_Trial_Balance_-_Redacted,_August,_2013_(FY_2013).xls)


September 24, 2013


 [Kansas City Star](#): The United States Postal Service Board of Governors meets in Kansas City today to debate what to do next with the nation's troubled mail delivery service. USPS has posted \$20 billion in net losses in the past two years and the root of its troubles is no secret. First-class mail has moved rapidly to the Internet and USPS's large network and cost structure hasn't adapted quickly enough to the change. The Postmaster General is looking for more money from postage-paying customers. That would be a big mistake.





[Postal Technology International](#): A free app for Postal Technology International is now available to download, which will allow readers to receive the latest issue of the magazine weeks before the hard copy is available. The app is available for iPad and Android users and features the latest news from the industry, as


well as a free magazine archive of previously published issues. Once downloaded, users can read Postal Technology International magazine and the latest news on any tablet without a wi-fi signal. The app is available via the App Store or Google Play – search for 'Postal Technology International' or 'UKIP Media & Events Limited'.

 **Business Standard:** In what could significantly up the operating cost of corporations and have huge implications for \$2 billion Indian courier industry as well as for the individual consumers, the Department of Post (DoP) is in advanced stages of proposing amendments to the over hundred year old Indian Postal Act. The amendments which will soon be moved to Parliament for a discussion, will mandate courier companies to charge atleast Rs 70 per for every non-local courier. This is double of minimum Speed Post rate currently and significantly higher than what courier companies normally charge for small packets.

 **Financial Times:** Labour is planning to force a fresh Commons vote to challenge the government's plan to privatise Royal Mail as a stock market flotation of the state-owned postal service approaches. A vote on an opposition motion in the next few weeks would stand little chance of halting the sale, as the legislation was passed in 2011, but signals that the political battle surrounding the privatisation is heating up.

 **Passing up Passport Revenue?** The execution fee for a passport is \$25. In fiscal year 2012, the U.S. Postal Service processed 5.7 million passport applications for revenue of \$142 million. With the additional services it offers, such as passport photos and return postage, the Postal Service's total revenues from passport services in 2012 was \$182 million. It is a nice chunk of change for a service the Postal Service does not need to market aggressively. Still, the Postal Service has seen a significant decline in passport revenue over the past 4 years. In 2008, it earned \$283 million from passport services. The decline in passport revenue could be attributed to a few things. First, the weak economy has undoubtedly reduced international travel over the past 4 years. It could also be that 2008 was an especially strong year for passport revenue because changes taking effect in 2009 required a passport to return to the U.S. from travel to Mexico, Canada, and the Caribbean. However, postal staff reduction and facility closures could also be playing a role. Customers have complained about waiting too many days or weeks for a passport appointment at their Post Office or about being directed elsewhere for service. Why do you think passport services revenue has declined so dramatically in the past few years? Is there a way the Postal Service could improve the process? What changes could it make to maximize passport revenues?

 **Wall Street Journal:** The U.S. Department of Justice responded Monday evening to former cyclist Lance Armstrong's attempt to quash a federal whistleblower lawsuit that accuses the disgraced seven-time Tour de France winner of defrauding The United States Postal Service, his biggest sponsor. On Monday, the Justice Department disputed Mr. Armstrong's assertion. "Only recently did the government and the rest of the world learn" of Mr. Armstrong's doping, the government's 28-page response said. "As a result, the sponsorship has not enhanced the Postal Service's reputation, as the Postal Service once hoped it would, but instead will forever link the Postal Service with the sordid scandal that brought down Lance Armstrong," it wrote.


 **U.S. Senate Committee on Homeland Security and Governmental Affairs** Chairman Tom Carper (D-Del.) and Ranking Member Tom Coburn (R-Okla.) will hold a hearing titled "Outside the Box: Reforming and Renewing the Postal Service, Part II – Promoting a 21st Century Workforce" on Thursday, September 26, 2013 at 10:00 a.m. in room 342 of the Dirksen Senate Office Building in Washington, D.C.


WITNESS LIST


Panel 1 (1) The Honorable Patrick R. Donahoe Postmaster General and Chief Executive Officer U.S. Postal Service (2) Jonathan Foley Director, Planning and Policy Analysis U.S. Office of Personnel Management (3) Frank Todisco Chief Actuary U.S. Government Accountability Office (4) John E. Dicken Director, Health Care U.S. Government Accountability Office

Panel 2 (!) Frederic V. Rolando President National Association of Letter Carriers, AFL-CIO (2) John Hegarty National President National Postal Mail Handlers Union (3) Robert J. Rapoza President National Association of Postmasters of the United States (4) Douglas J. Holtz-Eakin, Ph.D. President American Action Forum (5) Dean Baker, Ph.D. Co-Director Center for Economic and Policy Research

September 23, 2013


 [Bloomberg Businessweek](#): With two national retailers, Staples (SPLS) and RadioShack (RSH), pulling the plug on Amazon.com's (AMZN) Locker program, it's easy to wonder why either decided to experiment in the first place. The incentive for any business hosting an Amazon locker isn't the monthly stipend the online retailer pays—"not even worth it," says the manager of a Manhattan copy shop—but the lure of higher store traffic given the online retailer's enormous sales volume and the gazillions of brown boxes sent across the nation each day. Amazon has the lockers in nine large metro areas and touts the delivery option as a customer convenience for the many people who can't reliably get their online purchases at work or at home. For a bricks-and-mortar business, the idea is that people coming to collect their Amazon purchases will buy other stuff on their way out the door.


 [NextGov](#): As reports of mail workers monitoring letters surfaced this summer, the U.S. Postal Service was applying to trademark merchandise aimed at preventing snoops -- outside the government -- from hacking online communications. The potential product line underscores the struggle agencies face in balancing privacy and national security -- all while trying to keep the government funded. One brand name filed Sept. 6, "United States Postal Service Digital Services," would consist of, among other things, "tamper-detection capabilities" for safeguarding electronic documents, audio and videos. A more generic "United States Digital Services" trademark, submitted for consideration on Aug. 16, would include fax transmissions "featuring encryption and decryption." The name also would cover "electronic mail services in the field of financial transactions," which presumably could generate Wall Street sales for an agency that has lost \$3.9 billion so far this fiscal year. The filing proposes verifying the identities of people transmitting information -- and, vice versa, confirming intended recipients have received unadulterated information -- through a practice called "security printing." The technique codes identification information on valuable documents and products. These privacy services could potentially make it harder for the Postal Service to fulfill another of its missions -- to fight mail fraud.


 [Global Research](#): "What We Could Do with a Postal Savings Bank: Infrastructure that Doesn't Cost Taxpayers a Dime"





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


 [National Association of Major Mail Users](#): Canada Post has presented its final offer to the Public Service Alliance of Canada/Union of Postal Communication Employees (PSAC/UPCE). The bargaining unit represents approximately 1500 full-time and part-time employees. None of these employees process the mail; they provide administrative and clerical support to, or work in, our engineering, computer/data processing, financial administration, and other functions. Canada Post's final offer preserves everything that existing employees have today, including an unchanged defined benefit pension plan and job security. It also proposes pay increases for the first two years of the four-year collective agreement. For new employees, however, the offer proposes measures that are more affordable for the Corporation, such as a defined contribution pension plan and changes to leave entitlements. Mail volume decline continues to result in serious financial challenges. Significant financial losses are expected this year. Canada Post's approach to these negotiations reflects those challenges. Reducing labour costs is a key element of Canada Post's transformation to ensure it has a viable future. Canada Post has just presented a final offer to these employees and we are at a very early stage in the process. This group would not be in a position to strike until well into 2014. Regardless, there will be no disruption of service to Canadians.


 [Post & Parcel](#): Royal Mail has commissioned a MORI poll survey it says found that 72% of the British public believes postal workers should accept their current pay deal and call off plans to strike. The company said the poll of 1,468 adults conducted last week also had 78% of UK adults stating that the pay offer of 8.6% over three years was "very fair" or "fair".


 [Professional Pensions](#): The Royal Mail has offered its scheme members an improved deal in pension scheme negotiations as the company looks to avoid strike action before its floatation on the stock market. The postal firm originally told members of the Royal Mail Pension Plan (RMPP) that pensionable pay increases would be limited to the retail prices index (RPI) up to 5%, regardless of actual pay rises.


 [Post & Parcel](#): UK business minister Michael Fallon has quietly revealed that the government could water down Royal Mail's six-day-a-week delivery requirement with a Statutory Instrument.


 [Kentucky.com](#): In 2006, Congress mandated that the Postal Service pre-fund future retiree health benefits. No other public or private entity is required to pre-fund for even one year; the Postal Service has to pre-fund for the next 75 years — and pay it all within a decade. That unfair burden accounts for 100 percent of this year's red ink and then some. The USPS reports \$3.9 billion in red ink this year, but it's been charged \$4.2 billion in pre-funding. What makes this mandate all the more absurd is that the Postal Service already has set aside some \$50 billion — sufficient to meet health care payments for future retirees for decades. Few if any companies can say that. Clearly, lawmakers should address the pre-funding mess they created, and allow the Postal Service to adapt to technological change, as it's done for two centuries, while continuing to provide the world's best delivery services. Instead, some in Congress want to compound their error by depriving Kentuckians and their businesses of services.


 [KZIM](#): It has been more than one year since the U.S. Senate approved bipartisan legislation to address the finances of the U.S. Postal Service and keep rural post offices open, and the effort continues. U.S. Senator Claire McCaskill reiterated Friday that her focus remains on ensuring that postal access for rural Americans isn't compromised. She says that she hears from Missourians every day that postal access is critically important for their businesses and families. McCaskill is a member of the Homeland Security and Governmental Affairs Committee, which has jurisdiction over the USPS. McCaskill has reportedly questioned whether the USPS is taking enough advantage over its monopoly on rural delivery. They often deliver packages for UPS and FedEx the "last mile" to their intended recipients. Last year, McCaskill waged a successful year-long battle to keep hundreds of rural post offices in rural Missouri open and operating.

 [Transport Intelligence](#): DHL Express has announced that it will expand the document sorting capabilities at its main European hub in Leipzig, Germany. The introduction of a fourth sorting loop, at a total investment of €10m, will increase the capacity of the automated flyer sorter by over 20% to over 43,000 flyers per hour. Work on the additional loop will begin in 2013 and be completed by the fourth quarter of 2014. The investment will introduce extra capacity to accommodate forecasted growth at Leipzig from 2014 onwards and will bring service improvements through higher connectivity of flyers being processed through the hub.


 [Ghanaweb](#): The payment of a GH¢2.4 million judgement debt in 2010 dealt a blow to Ghana Post (GP) and threatened to send the only national postal service onto a path of no recovery, but two years on, hope seems to be smiling on the fortunes of the company again. Riding on the back of a thriving courier service through an Express Mail Service (EMS), sale of stamps, post letter box rentals, among others, the management of the GP says it is keeping hope alive despite the challenges posed by some aspects of information communication technology (ICT), particularly the new media platforms.


 [Post & Parcel](#): Brazil Post has been working over the weekend to catch up on the mail backlog that has resulted from strike action last week. The state-owned national postal service is currently in the process of negotiating labour contracts with Brazil's 35 regional unions, a process that has now reached the mediation stage. But, while mediation continues under the auspices of Brazil's Superior Labour Court (TST), some workers are already conducting industrial action.


 [Huffington Post](#): Labour is likely to be pressed to renationalise the Royal Mail if it wins the next general election after unions overwhelmingly voted to debate the Government's decision to privatise the service. The Communication Workers Union (CWU), which is to ballot its members for strikes over issues linked to privatisation, believes it is "vital" Labour is seen to defend a public postal service. Its motion at the party's conference in Brighton calls for an incoming Labour government to renationalise Royal Mail "in the event of the coalition government actually selling the company".

 [Daily Mail](#): Even in her heyday, Margaret Thatcher balked at privatising the Royal Mail. Now, as the Coalition presses ahead with plans to sell it off, a national ballot is being held this month for strike action by members of the Communication Workers' Union. Yet neither Red Ed Miliband or Ed Balls, the Shadow Chancellor, have uttered a word about the prospect of a nationwide postal strike. Is their silence anything to do with the fact that since Miliband


became Labour leader, the CWU has donated £1.6 million to party funds? The union also endorsed Balls for the Labour leadership and donated £17,000 to his campaign.

 [Federal Times](#): What might the future hold for the humble postal stamp? The U.S. Postal Service is paying a New York consulting firm named Faith Popcorn's BrainReserve more than a half-million dollars to find out. "Who will be buying stamps in 2019, 2024 and 2034? What will they be used for?," reads the company's statement of work for the \$566,000 task order awarded last month. "How can we embed innovation and new thinking into stamps, to engage America's coming generations and the [USPS's] existing and new customers?" After starting the assignment early last month, BrainReserve—whose website touts its consulting specialty as "applied futurism"—is supposed to finish up work by mid-October, the statement indicates. Faith Popcorn, the company's CEO, is billing the Postal Service at an hourly rate of \$836. Labor fees for other BrainReserve staff involved in the project range from \$91 to \$334 per hour. [EdNote: I'd like to tell you this is a joke, but you just can't make this stuff up.]

 [Renew America](#): Last month, US Postmaster General Patrick Donahoe said the US Postal Service should be allowed to start delivering, beer, wine and spirits. He contended the service was needed to help raise revenue for the financially ailing agency – an agency that lost \$16 billion last year. Donohoe contended alcohol deliveries had the potential of raising \$50 million annually. He said, "There's a lot of money to be made in beer, wine and spirits. We'd like to get in that business." I've been addressing alcohol policy for 14 years and it never ceases to amaze me the way public officials will consider loosening alcohol control polices in pursuit of filling budget gaps.


 [Reno Gazette-Journal](#): A week before the U.S. Postal Service closes a public comment period on a proposal to shutter a small post office in Sun Valley, U.S. Sen. Dean Heller says he still hasn't received the explanation he's requested to justify the move. Postal Service officials are promising to get Heller the information before the Sept. 29 deadline for comment on the proposal. They say the plan will save more than \$500,000 over 10 years. But the officials say they don't understand why the remaining 200 customers with post office boxes at Sun Valley won't accept the home delivery available to those who don't want to drive 5 miles to Sparks where boxes would be transferred.

September 22, 2013

 [Financial Times](#): Royal Mail has been given a cleaner bill of financial health than any of the world's post or parcels companies, giving a boost to the government's hopes for a successful flotation in the next few weeks. Rapid Ratings, an independent US-based rating company, said Royal Mail had "changed dramatically" in the past two years and ranked it above even its most successful peers such as Deutsche Post DHL and Austria Post on a range of indicators.

September 21, 2013

If the Postal Service wants unfettered pricing ability, it should give up its statutory monopolies.

 [Direct Marketing News](#): In responding to a question from Sen. Tom Carper about price inelasticity of postal rates shown in a study by the office of the Postal Inspector General, PRC Chairman Ruth Goldway responded with a terse summation of the challenge facing Congress in crafting postal reform. We present it in its entirety.

"This matter can be discussed and debated by many people. There is still a strong monopoly when it comes to letter mail and market products that the Postal service has a dominant position in. if you're a nonprofit and you want to communicate with a paper product, your option is only one, and that's the Postal Service. So studies that determine what the price elasticity and inelasticity in the future will be--when we've been operating in a monopoly system for the last 100 years-- are not necessarily reliable. And it seems to us that the Postal Service can't have it both ways. It can't say that this a competitive market and, if you let us have a competition without any regulation, we won't raise prices more than we need to because there's competition





and we'll keep it down. [Then } on the other hand [say] there's price inelasticity and its okay if we raise prices because we'll keep our volumes up and there's no concern about that.


"You can't present both arguments. So it seems to me that if you want to eliminate the monopoly and allow prices to fluctuate and [find] their sweet spot, as we've done with the competitive products that the Postal Service has done, where they've raised prices 5% a year, then you do that. But if you ask first class mailers, if you ask nonprofits, whether they can manage with a 5% price increase, you're going to get responses that say they simply can't do it. And that in fact you will lose so much volume that you won't get the revenue that the Postal Service thinks it's going to get from that mail.

"We believe that the price cap regime has created the stability and transparency and accountability that's given mailers some assurance in a time of real transition and have given the nation's users some sense of trust in the mail which is very important to [the USPS's] brand and their future."


[EdNote: She got it right....A voice crying out in a congressional wilderness.]

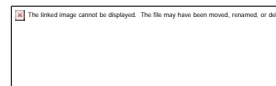
 **The Republic:** United Parcel Service plans to grow in rival FedEx's backyard by nearly doubling sorting capacity at Memphis International Airport. Airport officials who have been in negotiations with UPS expect the Atlanta-based company to spend more than \$25 million and hire well in excess of 100 new employees for an expanded sorting facility. It serves part of UPS' Memphis ground delivery fleet and two flights a day connecting Memphis with Louisville, Ky., home of UPS Worldport. UPS' expansion is a sign of continued strength in cargo traffic at Memphis despite woeful erosion of passenger service, which has dropped from about 300 daily flights in 2000 to about 100. Cargo, nearly all of it carried by FedEx, is anchoring airport finances while officials campaign to attract new passenger service to fill a void left by Delta Air Lines.

 **Direct Marketing News:** Expect a request for an exigent rate increase to be filed by the Postal Board of Governors when they meet in Kansas City, KS, next week. That's the dire warning from direct mail industry officials following hearings held by the Senate on the Postal Reform Act (PRA).

 **The Mirror:** Union chiefs accused Royal Mail of "desperation" after the firm published a poll showing most people opposed a postal strike. The company released results of a MORI survey showing 72% of respondents thought the Communication Workers Union should accept a pay offer and call off plans to strike.


September 20, 2013

 **Press Release:** Escher Group Holdings plc., the world-leading provider of outsourced, point-of-sale software to the postal industry, has announced that its digital mailbox system has received patent approval from the United States Patent and Trademark Office. With this system, users can be given the capability to have a complete digital record of their transactions from start to finish, including catalogue and delivery information from ecommerce companies and transaction information from companies that bill their customers. In this way, customers may have, at any given time, their purchase details, up-to-date billing and payment histories and other relevant information. In addition, customers also have the ability to make electronic payments directly from the system and to receive offers electronically from suppliers.

 **American Postal Workers Union:** APWU President Cliff Guffey told a Senate panel on Sept. 19 that the postal bill introduced by Sen. Tom Carper (D-DE) and Sen. Tom Coburn (R-OK) is "fatally flawed." The bill (S. 1486 [PDF]) "fails to correct the cause of the Postal Service's financial crisis — the mandate in the Postal Accountability and Enhancement Act of 2006 (PAEA) that requires the USPS to pre-fund healthcare benefits for future retirees," Guffey said. "To our utter dismay, S. 1486 as written would permit cost-cutting from health benefits and retirement benefits. It would remove a cornerstone of the 1970 law that created the Postal Service, by making it possible for the Postal Service to attack our retirement and health benefits," the union president said.




[National Association of Letter Carriers](#): The Senate Homeland Security and Government Affairs Committee, which has Postal Service oversight, held the first of two hearings today on the flawed postal bill, S. 1486, introduced by committee chairman Sen. Tom Carper (D-DE) and ranking member Sen. Tom Coburn (R-OK). "If passed, this bill would set the Postal Service on downward spiral," NALC President Fredric Rolando said, "by calling for the slow dismantling of Postal Service's retail, mail processing and last-mile delivery networks that are crucial for the booming e-commerce sector, while maintaining the misguided 2006 postal reform law mandate to pre-fund future retiree health benefit costs decades in advance."

 [Post & Parcel](#): Lithuania Post has said data for the latest nine months of its operations has revealed that it is now delivering 90% of postal items within one business day. The company said the results exceed its regulatory targets to deliver 85% of items next-day.



[Newspaper Assoc. of America v. Postal Regulatory Commission](#) [Judges: Henderson, Griffith, Randolph](#)

(Recording)

 [Chicago Tribune](#): Shares of FedEx Corp jumped as much as 4 percent on Wednesday after the shipping company said cost cuts helped it to post a better-than-expected quarterly profit, and it announced rates would increase next year for express shipping amid improving global economic conditions. The company also backed its full-year profit outlook for earnings-per-share growth of 7 percent to 13 percent. FedEx, considered an economic bellwether because of the massive volume of goods it moves around the world, said on a conference call that the company was seeing "signs of improvement" in China and Europe.



Yup. All the change brought on by the "digital revolution" was totally unpredictable. Oh really? Take a gander at an article written by Gene Del Polito for [Mailers Review](#) on June 11, 1993.

The rush to redesign America's communications infrastructure is well in tune with the times. In fact, the creation of a new information superhighway is one of the key domestic economic policy objectives of the Clinton-Gore Administration. As a result, the new "in" word these days is "interactive," and everyone is trying to get a piece of the new interactive media pie.

Mail advertisers and marketers are no different. Most of the people who make up the direct marketing industry do not view themselves as being in the "mail" business. Rather, they see themselves primarily as merchants who make their goods and services available to people through means other than retail stores. Mail to them is merely the medium through which this exchange takes place. It doesn't need to be mail, but it is the one medium that has been most readily accessible.

Direct merchants aren't fools. If something comes along that has the promise to surpass mail's value as a medium for transacting business, they're going to explore its possibilities to the fullest. And that's exactly what many companies within the direct marketing industry are in the process of doing, or are getting ready to do.

The advent of computer-based interactive networks, such as Compuserve, Prodigy, and America On-Line opened up new markets and ways to develop those markets. The growing ubiquity of cable TV as an informational-educational alternative is opening up new possibilities as well. The marriage of the two (i.e., computer-interactive and cable) promises to bring a power to the communications marketplace that promises to change forever the way people communicate with one another and the way business handles its transactions with them.

Or, consider this written by Del Polito for [Mailers Review](#) on February 14, 1994.

Unless you've been at in outer space or in some sort of coma, by now, you've probably heard a bit or two about the advent of the "electronic superhighway," or, in the latest parlance of Washington-


speak, the "national information infrastructure" (NII). We can debate endlessly about how long it will take to develop an electronic communications nirvana of the future, but there is one thing for sure that is not open to debate: the actualization of an electronic superhighway of any sort--regardless of whether or its reach is or is not truly universal--will affect greatly the way we as a nation communicate and do business.


Maybe not today, maybe not tomorrow, but sometime soon we will be relying more on electronic media than any other for carrying on many of the more mundane aspects of life in modern post-industrial society. There's no doubt about it: sometime soon a current of electrons will be the primary vehicle through which transact business, exchange information, convey personal thoughts and best wishes, and transfer wealth. And this one simple truth has greater consequence for our nation's postal system, the U.S. Postal Service, and every business in America that uses or supports the use of mail as a medium for communicating and transacting business than any postal rate or mail classification case ever will.


In fact, the electronic superhighway isn't just coming; elements of it already are here--and it's effects already are being felt by the USPS. Electronic forms of communication such as facsimile, e-mail, electronic data interchange, electronic funds transfer, interactive telephones, and other such devices are diverting a significant number of what historically had been the core of many companies' paper-based transactions out of the postal system and into a digital, electron-stream. Not only has the Postal Service's first class mail business been affected, but a comparable transformation has begun in what traditionally has been its third class advertising mail business as well. Current trends not only will continue, they will accelerate, and their impact on the Postal Service will be profound....

Policy making should be a matter of design. It should not be something into which we blunder unwittingly. If determining the nation's rapidly evolving postal needs continues to go without attention, it probably will be only a matter of time before the nation's mail system finds itself once again on the postal precipice....the last thing we need is a postal crisis that just as easily could have been avoided.


No. Del Polito's not a genius. But he has known how to read a roadmap to change when he saw one. The "digital revolution" was wholly predictable. The only ones who didn't see it coming and turned to the news a deaf ear were those who were responsible for developing and implementing the nation's postal policy. Unforeseen exigency....my foot!


 [Direct Marketing News](#): Making a strident case for a U.S. Postal Service (USPS) that is able to react to market forces, Sen. Tom Coburn (R-OK) insisted today that the agency has to have the authority to set its own rates. "We're going to have a postal system and we have to make the numbers work. Like I've told everybody in the [business mail] industry, there's going to have to be more than the inflation rate [increases]," said the ranking member of the Senate on Homeland Security and Government Affairs. *[EdNote: Yes, sir. Yesterday you saw a first. One of the Senate's Republican conservative native sons actually argued to give unprecedented, unfettered ratemaking authority to a statutorily protected government monopoly.]*


 [Federal News Radio](#): Postmaster General Patrick Donahoe says a **Senate bill aiming to overhaul the Postal Service's financial structure** by providing the agency more flexibility to price its products is a good first step. "The legislation that you're considering is a great starting point to get us off the path to disaster and onto the path of continued financial stability," Donahoe said at a Senate Homeland Security and Governmental Affairs Committee hearing Thursday. *[EdNote: Yes, sir. A great start. And we start the overhaul by keelhauling those whose postage actually makes universal mail service possible.]*


 [The Madison Daily Leader](#): The methods Congress uses to manage its own affairs usually involve public posturing, drawing political party lines in the sand, timing any action around elections, then never actually doing any thing to fix the problem. All these methods have been used during the past few years during the most serious of


postal challenges. Press releases have been issued saying how important the Postal Service is, then saying reform needs to happen. Democrats propose one solution, Republicans another. When another national crisis comes along, talks of postal reform slide to the background. Reforms could include changes to service levels, retirement funding and postal rates. If only members of Congress could take a break from these methods for a time, and set the postal service on a positive path. Delaying action doesn't help taxpayers, consumers or business. *[EdNote: Given Congress' and the Postal Service's belief that money in mailers' pockets is there just for the taking, perhaps it would be best of Congress simply would do what it's done for the past several years. NOTHING.]*


 [MyFoxLubbock](#): Sending a letter or package via the U.S. Postal Service may get more expensive. The postal service needs an emergency rate increase to stay afloat. Postal Service Inspector General David Williams told a Senate committee on Thursday the agency's cash balance next month likely will cover only five days of expenses.


 [The Columbian](#): The U.S. Postal Service is in "the midst of a financial disaster" and may need an emergency increase in postage rates to keep operating, Postmaster General Patrick Donahoe warned Thursday. The agency's plight comes despite a 1-cent rate increase on first-class mail that took effect in January. A first-class stamp now costs 46 cents. "The Postal Service as it exists today is financially unsustainable," Donahoe told the Senate Homeland Security and Governmental Affairs Committee.

 [Bloomberg Businessweek](#): The U.S. Postal Service, approaching next month with only five days cash on hand, may need to raise prices by more than the inflation rate if Congress change the service's business model, Postmaster General Patrick Donahoe said. "Unless the Postal Service is given the legal authority to close the budget gap, an exigent price adjustment may be necessary in order to ensure that the Postal Service will be able to maintain and continue the development of postal services of the type and quality the country needs," Donahoe said in testimony prepared for a hearing today on the Senate's postal bill. The service's board is scheduled next week.


 [Federal Times](#): For the third straight year, the U.S. Postal Service will default on a legally required payment for future retiree health care, Postmaster General Pat Donahoe reiterated Thursday.

 [Government Executive](#): Private mailing companies and postal regulators expressed deep concern with a proposal to overhaul the U.S. Postal Service during a congressional hearing Monday, saying provisions to give the agency more control over pricing would ultimately harm the industry. The Homeland Security and Governmental Affairs Committee held the first of two hearings Thursday to hear feedback on the bipartisan bill, put forward by the panel's chairman and ranking member, Sens. Tom Carper, D-Del., and Tom Coburn, R-Okla. The bill would allow the current inflation-based rate cap to expire in 2016 and eliminate the Postal Regulatory Commission's role in issuing advisory opinions on major changes to service standards. The bill's advocates argued the requirement to obtain comments from the PRC inhibited the Postal Service's ability to keep pace with the rapidly evolving mailing industry. They also said USPS does not charge enough to cover its costs and must therefore increase its rates above the inflationary cap. The Postal Service Board of Governors will meet next week to consider filing an exigent rate increase, which -- as required by current statute -- would then go to PRC for approval. The Commission rejected USPS' last request for an exigent rate increase, submitted in 2010 as a result of the economic recession. Postal stakeholders organized to campaign against that increase, and have again led an effort to block a large increase.


 [KXLF](#): Montana's rural mail customers can breathe easier after a top Postal Service official told Senator Jon Tester that there will be no postal closures while Congress debates a postal reform bill. *[EdNote: But, oh boy, you just wait and see what happens after the debate is over.]*

 [Slate](#): In a magazine called FedTech, Jimmy Daly today looks back at the U.S. Postal Service's 30-year relationship with e-mail. It's a good piece, and it proves that some in the organization were in fact thinking about the Internet's potential to revolutionize communication as long ago as 1982. But the highlight is a quote that a U.S. Postal Service spokeswoman gave to Wired magazine back in 2001. At the time, U.S. mail volume was greater than ever, but there was concern that the shift online might soon reverse that trend. A spokeswoman for the postal service, however, didn't buy it. "The Postal Service is, and always has been, one of the most high-tech companies in the world," Susan Brennan told the magazine. Wired's Kendra Mayfield wasn't convinced.

Two of Washington's most famous lies: "Let's do lunch;" and "We'll fix it in conference."

 **KOAM:** More than one year after the U.S. Senate approved bipartisan legislation to address the finances of the U.S. Postal Service (USPS) and keep rural post offices open, U.S. Senator Claire McCaskill today reiterated that her focus remains on ensuring that postal access for rural Americans isn't compromised. "Post offices remain the center of many rural communities, and I hear from Missourians every day telling me that postal access is critically important for their businesses and families," said McCaskill, a member of the Homeland Security and Governmental Affairs Committee, which has jurisdiction over the USPS. "As this reform bill moves forward, my priorities will continue to focus on that access, and ensuring that our residents keep their service intact."

September 19, 2013

 **Business Insider:** By mid-October 2013, the Postal Service projects it will have a cash balance on hand of approximately five days of average daily expenses. For an organization the size of the Postal Service – which has revenues of \$65 billion and a total workforce of approximately 490,000 career employees – that is a razor thin margin. By way of comparison, most private sector companies usually have available liquidity of at least two months of operating expenses.



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

- The US Senate Committee on Homeland Security and Governmental Affairs held a postal hearing this week, "Outside the Box: Reforming and Renewing the Postal Service, Part I – Maintaining Services, Reducing Costs, and Increasing Revenue Through Innovation and Modernization." Here are highlights of the day's testimony.
- In a letter sent from the Association for Postal Commerce's Counsel to the U.S. Postal Service General Counsel and Executive Vice President Thomas Marshall, PostCom ". . . ask[ed] that, before the final IMpb standards issue, you review the claimed justifications for the by/for requirement in light of the prohibitions in 39 U.S.C. § 404a against the promulgation of standards that would provide the Postal Service with a competitive advantage. In our view, there is no rational basis for establishing this by/for requirement in a competitive products environment. The competitive concerns it raises are simply too great to be overcome by the minimal increase in operational efficiency that mail owner information is likely to provide.
- USPS Office of Inspector General (OIG) on September 6, 2013, published the results of its self-initiated audit concerning Intelligent Mail barcode (IMb) development and use of data (Report Number DP-AR-13-010). The OIG found that the USPS does not have a comprehensive plan for the continued development and use of IMb data, and recommended that the USPS "[d]evelop a comprehensive Intelligent Mail barcode (IMb) data plan utilizing data governance principles for the collection, storage, and use of IMb data." "The plan should include input from all business users, an assessment of all costs, and milestones for the life of the IMb program," the OIG recommended. It said that "without a comprehensive plan, the program applications in development may have limited functionality and may not meet all users' needs, such as real-time mail tracking."
- In his annual state of the business address to the mailing industry, Postmaster General and CEO Patrick R. Donahoe today said by effectively leveraging data and new technology, mail can be much more powerful and competitive than other marketing channels. Carper-Coburn postal bill misses the mark.
- PMG names Jim Nemecek as new VP of Consumer and Industry Affairs. Field organizational changes - USPS continues operational efficiency initiatives. Congress turning to social media as use of mail privileges declines. Parcel workers' union wants labor board to void UPS-Teamsters contract. MPA and Adobe work to standardize engagement metrics for digital publications. Should you go paperless? USPS offers early retirement to more than 15,000 supervisors. What is the future of the USPS? Do Not Track's future in doubt as major ad group withdraws from talks. Carper-Coburn postal bill misses the mark. USPS opens eBay store. USPS helps out Sierra Leone postal service. "Ordinary citizen" asks PRC for new USPS Special Service.
- Updates from the Federal Register.
- An update from the USPS Office of Inspector General.

- Postal previews.

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[A summary of key points](#) made during today's postal oversight hearing has been posted on this site (and is developed in real time).

INDUSTRY ALERT [Postmaster General Tells Senate](#): Postal Service in Midst of Financial Disaster, Liquidity Remains Dangerously Low Donahoe Presses for Legal Framework to Act With Speed and Flexibility

CBS News: The Postal Service may need an emergency rate increase to stay afloat. That's according to Postmaster General Patrick Donahoe, who's testifying before a Senate committee. Donahoe says the agency's cash balance next month likely will cover only five days of its average daily expenses. The panel is looking at a plan to fix the agency's finances, including ending Saturday delivery and changing the way retiree health care costs are calculated. Without help from Congress, the agency expects its multibillion-dollar annual losses to worsen. Media and marketing firms that depend on postal services say a broad rate hike could hurt their business.

FedTech: "The Postal Service's 30-Year Relationship with Email A look at the United States Postal Service's history of electronic communication and digital services."



PostCom's review of [USPS service performance](#) for quarter three of this fiscal year has been posted on this site.


C-Span: The Senate Homeland Security and Governmental Reform Committee hears testimony from the Postmaster General and other Postal Service stakeholders on how the service plans to maintain delivery schedules and post office operations. This hearing includes an examination of solutions laid out in the Postal Reform Act of 2013. Senate Hearing on Postal Service: Live at 10am (ET)


Airline Owners and Pilots Association: The 24-cent airmail stamp with the inverted Jenny, originally issued May 10, 1918, was scheduled to be reissued as a \$2 stamp on September 22 to commemorate the opening of the William H. Gross Stamp Gallery at the Smithsonian Postal Museum near Union Station in Washington, D.C. [EdNote: No. The single-piece First-Class rate will NOT be going to \$2 after the exigency case. Someday, maybe, but not quite yet.]


Bloomberg: PostNL NV (PNL) rose the most in two months after the Dutch postal operator raised its full-year forecast and announced higher prices for stamps.

The Daily Star: As important as it is to be able to receive mail, people also travel to the post office because they have mail they want to send. Sure, USPS has a robust website where people can purchase postage and print out labels — which is great. But there are still a lot of people in the region for whom that's not a practical solution. If the postal service needs to cut back on the hours it can staff rural post offices, we'd like to see it do more to provide access to shipping services within these facilities, beyond the vending machines that distribute stamps. Banks have had ATM technology for decades. Why couldn't USPS offer something similar — a self-serve station where customers could weigh packages and purchase postage? We realize there would be an initial cost involved with


creating this platform. But if the postal service wants to stay viable into the 21st century, it seems like some 20th century technology might be a good place to start.


 [Post & Parcel](#): Postmaster General Patrick Donahoe has called on the US Congress to remove the "dark cloud" that hangs over the \$800bn US mailing industry. The chief executive of the US Postal Service was speaking yesterday just ahead of his appearance before an important Senate committee in Washington today. He said the financial crisis at USPS was in itself damaging the mail business, hinting that the signals that the Postal Service's multi-billion dollar annual losses have been giving to customers are only making matters worse. But, he said only Congress can fix the USPS business model.

 [Toronto Star](#): While Britain prepares to sell the Royal Mail to the public, Canada Post faces a mountain of losses and has no clear future. Here in Canada the Harper government has ignored calls to privatize Canada Post Corp. (CPC). Instead, it has stood by for years while the corporation struggled in vain to transform itself into a modern, financially self-sufficient postal service. Canada Post is now virtually bankrupt. It has lost all its equity value and faces a mountain of losses.


 [Roll Call](#): House leaders' best-laid plans for an orderly kabuki to avert a government shutdown have once again been upended by insurgent conservatives, increasing concern about the potential for a government shutdown less than two weeks from now. The decision to tie Obamacare funding to must-pass legislation keeping the government open was a turnabout for Speaker John A. Boehner, R-Ohio, who had quietly resisted the idea for years. It's the latest humbling of a leadership team that has continually struggled to corral its own party. But it's not clear yet whether it will cost the GOP leverage with Democrats. *[EdNote: And in an environment like this we expect Congress to behave sensibly about postal reform?? Brace yourself. For sure an exigency case will follow.]*


 [From the Federal Register](#): **State Department NOTICES** Membership Renewals: Advisory Committee on International Postal and Delivery Service , 57671–57672 [2013–22815] [[TEXT](#)] [[PDF](#)]


 [Forbes](#): On a day all about whether the U.S. economy is still weak in the knees, signs of achiness and fatigue appeared in comments made this morning by FedEx. While FedEx beat Wall Street profit expectations for its fiscal-first quarter, billionaire CEO Fred Smith did his usual gloomy grumbling. "FedEx Express remains focused on reducing costs while facing challenging global economic conditions," he says. Tough times for consumers in both developed and emerging nations has forced FedEx to cut costs and focus more on its cheaper shipping options.


 [Bloomberg Businessweek](#): FedEx shares surged in morning trading on the New York Stock Exchange as Wall Street reacted favorably to the Memphis-based company's latest earnings report. Raymond James financial services raised its target price to \$124 a share, from \$117, as the stock spiked above \$115 after the report's release early Wednesday. The all-time trading high was \$121.42 on Feb. 6, 2007.

 [Channel News Asia](#): Singapore's postal agency, SingPost, has set aside nearly S\$100 million to implement projects to enhance productivity, enhance the postal infrastructure and help workers improve through help schemes and upgrading programmes.


 **PostCom Members!!** The September 2013 issue of the PostCom Quarterly, a publication that is written by mailers for mailers is now available on this site.


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


 The Prime Minister of the devolved Scottish government has called on the British government to halt the privatisation of the Royal Mail.


 The New Zealand Post is scrapping its 'D+1' delivery scheme. On Monday the company announced that 'Across Town' mail would be delivered in accordance with the nationwide time


limit of three working days, a result of the closure of 3 of the country's 6 mail centres in June.


 The slump in sales at CTT Correios continued into the first half of 2013.


 TNT Post UK plans to launch a legal appeal against the VAT exemption for various services of the British post.


 After 20 years of price stability, the Japan Post is planning a marginal increase in postal rates next year.


 In the USA the small Association of Parcel Workers of America (APWA) is attempting to break the hegemony of the union Teamsters.


 The US union Teamsters will make another attempt this year to replace FedEx founder Fred Smith in his role as chairman of the company.

 Collective bargaining for the circa 1,600 employees of the German DHL Home Delivery GmbH has broken down for the time being.

 The Colombian post 4-72 plans to invest equivalent to just under 4 million Euros in the automation of its hubs in Bogota, Cali and Barranquilla.

 Poste Maroc is taking over the domestic express and logistics provider SDTM.

 Deutsche Post is making it easier to return lightweight international consignments.

 The Chinese post plans to boost e-commerce with fresh farm produce. During a food fair last Friday, China Post announced that it planned to deliver fresh food in the future.




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




At the Postal Regulatory Commission:

- **MC2013-60** Request to the Postal Regulatory Commission to Add Private Address Forwarding to the Mail Classification Schedule
<http://www.prc.gov/docs/87/87862/sai-paf-proposal-2.pdf>

 **Handy Shipping Guide:** As with our previous City Link story, this is not a good month for Deutsche Post DHL which, having endured years of criticism over its employment practices outside the Mother country, it now appears the DHL home delivery side of the business has been threatened this week with strike action by the Ver.di union which has over 1,500 members working at the company.



[Intelligent Mail Barcode Development and Use of Data](#). [Main Report](#) | [Highlights](#)

 **Americans for Tax Reform** has stated that "With the United States Postal Service's (USPS) \$8 billion deficit driving Congressional action, Sens. Carper and Coburn have put forth a bill that protects a bloated union workforce and paves the way for consumer rate increases. Unable to save enough money through necessary cuts, the USPS will be forced to raise postal rates. S. 1486 changes and then permanently removes the CPI based annual cap on postal rates. Without such a cap, USPS will have little incentive to reduce its workforce and rein in its costs. Instead of duking it out with the union, the USPS will likely raise rates on consumers. Ultimately, increasing postal service rates forces customers to prop-up the continued inefficient operations of the postal service."





The [General Counsel for the Association for Postal Commerce](#) said in a letter to the General Counsel of the


U.S. Postal Service that:

"On behalf of our client, the Association for Postal Commerce ("PostCom"), we write to you to express concerns with the impending final rule on Intelligent Mail Package Barcode ("IMpb") Standards, which we understand will issue in the next few weeks. See New Standards to Enhance Package Visibility, 78 Fed. Reg. 41721 (July 11, 2013). Before this rule is finalized, we ask that you review the requirement in the proposed rule, known as the "by/for" requirement, that the electronic documentation submitted with package mailings identify both the mailing agent/mail service provider and the mail owner. Requiring mail service providers to identify the mail owners they serve—that is, to provide the Postal Service with their customer lists—is entirely inappropriate in the competitive parcel shipping environment...."

September 18, 2013


 [Idaho Stateman](#): Open your eyes and ears, Congress. If you're not going to close the USPS down, then get this restructuring deal done and get to work on some new mail routes to the future.


 [Havana Times](#): Representatives of the US government handed Cuba a "specific proposal" for resuming direct mail service after half a century of interruption, informed the US Interests Section in Havana on Tuesday.


 [Post & Parcel](#): Sweden's Service and Communications Union (SEKO) has called off strike action that had threatened to disrupt postal services from today. The union confirmed last night that it has decided to accept a contract offer made through mediators.

 [From the Federal Register](#): **Postal Regulatory Commission NOTICES** International Mail Contracts , 57419–57421 [2013–22608] [[TEXT](#)] [[PDF](#)]


September 17, 2013


 [Phone Scoop](#): AT&T is more seriously considering a sale of its wireless towers, reports Bloomberg. AT&T said earlier this year that it might sell its towers. AT&T could net about \$5 billion from such a sale, and possible bidders include Crown Castle International, SBA Communications, and American Tower, according to Bloomberg's unidentified source. AT&T owns and operates about 10,000 towers throughout the country, which **generate approximately \$326 million in annual revenue** thanks to other companies that lease space on the towers. *[EdNote: Believe it not. In 1998 the Postal Service was offered an opportunity to get involved in the cellular tower bonanza. It said "no," of course, and the money and opportunity passed to other more thoughtful hands.]*


 [BGR](#): The new video report from Ooyala gives us a glimpse of how rapidly the American consumer's habits are changing. As broadcast television continues its slow disintegration, consumers are increasing their video consumption on smartphones and tablets with ferocious speed. Time spent on watching videos on tablets increased by a massive 59% during the first half of 2013. Interestingly, the peak period for staring at iPads is now Friday night. Broadcast behemoths like ABC, NBC and CBS abandoned Fridays years ago, opting to dump dying shows into Friday night time slots and focus their efforts on the first four days of the week. This has evidently started backfiring as consumers are turning Fridays into tablet video nights. This will no doubt erode Friday audiences of major channels even further, accelerating the downward spiral of big broadcasters. *[EdNote: And you thought digital only disrupted the mail?]*

 [The Verge](#): The World Wide Web Consortium (W3C) has spent nearly two years trying to standardize and implement Do Not Track — an HTTP header that tells advertisers and other third parties not to follow you around the internet — and the many delays and roadblocks that have cropped up since are starting to make it look like its efforts will be futile. According to The Hill, a major group representing the online advertising industry has pulled its support and believes that it's essentially impossible for the W3C to carry out its plan to create a Do Not Track Standard. The Digital Advertising Alliance (DAA) said it was withdrawing from the W3C's discussions around Do

Not Track and also said that the talks "have reached the end of [their] useful life" — and it also said that those talks should stay dead.

 **Daily Kos:** Various governments have reacted with expressions ranging from concern to anger over reports of US spying on their governments and on the lives of private citizens in their country. Now one of them is formulating a plan to do something about it. Brazil plans to divorce itself from the U.S.-centric Internet over Washington's widespread online spying, a move that many experts fear will be a potentially dangerous first step toward fracturing a global network built with minimal interference by governments. *[EdNote: Try the mail, where you can "enjoy" the maximal interference of government....Just ask Congress.]*


 **Yahoo!:** Forget calling it snail mail: Canada Post announced Tuesday it is launching a same-day service for online shoppers called Delivered Tonight. A partnership with Wal-Mart Canada Corp., Best Buy Canada Ltd., and Indigo Books & Music Inc., the pilot project means people can order everything from a new smartphone to baby supplies by mid-day and have their new item in hand that evening. Delivered Tonight currently serves about four million people in the Greater Toronto Area, but if successful, it could be established in other cities across Canada. It's a potential game-changer for Canada Post, whose core postal service lost \$104-million in the second quarter.


 **BizTimes:** The Marek Group, a Waukesha-based channel sales and marketing firm with commercial printing, fulfillment and direct marketing production, has acquired Publisher's Diversified Mail Service, a 65-year-old Milwaukee-based direct marketing company.





Here are links to some of the material associated with the webinars on:

- [Are You Ready for Full-Service Intelligent Mail..... Slides](#)
- CRIDs and MIDs: New Functionality on the USPS's Business Customer Gateway (no recording link) [Slides](#)


 **Government Executive:** As of this week, the United States Postal Service began sending early retirement offers to more than 15,000 employees. The move is part of a plan by Postmaster General Patrick Donahoe to reduce the postal workforces without layoffs. Government Executive correspondent Eric Katz says this is one of the ways Donahoe is trying to stop the proverbial bleeding from the agency that lost nearly \$16.9 billion in 2012. Despite being "largely handcuffed by Congress," Katz says, Donahoe has tried to be creative. "Largely, he's been getting his fair share of credit for doing a lot of steps that were under his power," Katz said about Donahoe. USPS is trying to get creative in ways to mitigate the recent losses, including eliminating Saturday delivery and adding new package services. The numbers they project, however, are not concrete. Katz says the projections have taken a lot of criticism.


 **Engadget:** There have been signs that Americans are leaning more and more on the smartphone as a primary internet device, and nowhere is that clearer than the latest edition of Pew's Cell Internet Use survey. The research group found that 21 percent of American cellphone owners now get online chiefly through their handset, up from 17 percent last year. Offline users, meanwhile, have been reduced to a minority -- 63 percent of US cell owners have hopped on the internet from their phones at some point.


 **Business Vancouver:** Some time between now and 2020, Canadians will likely say goodbye to their friendly neighbourhood mail carrier. Replacing door-to-door mail delivery with community mailboxes, already common in rural areas, is just one of the changes the national mail service is contemplating as it faces a grim financial future. To prepare for that bleak outlook, Canada Post commissioned a report from the Conference Board of Canada, which was released in April 2013. The Crown corporation is now following up on that report with a series of community meetings across Canada. Last week, Canada Post executives touched down in Vancouver. The federal government will also hold its own series of consultation sessions before any decisions on Canada Post's future are made.


 **Scoop:** New Zealand Post's announcement that it is revising its "across-town" delivery target is a predictable result of its closing mail processing centres, says the union for postal workers, the EPMU. From October all standard


letters will be delivered within three working days, instead of the next working day for "across-town" deliveries. "New Zealand Post has always had a three-day target on paper," says Joe Gallagher, EPMU postal industry organiser. "They've almost always exceeded it in the past. This announcement just confirms that they won't be able to in the future. "It's a predictable result of NZ Post closing half its major mail processing centres and moving all the work to its Auckland, Manawatu and Christchurch centres." NZ Post has proposed further serious cuts to its services, including reducing postal delivery to three days a week and replacing post offices with self-service kiosks.


 [Post & Parcel](#): Brazil Post has lost its attempt to block strike action, with Brazil's top labour court throwing out its request for an injunction. The national postal service has been under threat from industrial action after a month of negotiations over new labour contracts settled into stalemate.

 [Tamebay](#): Royal Mail is consulting on a proposed change to their parcels format. The proposals apply to consumers, small non-contract business and franking customers. The proposal is to extend the dimensions of Small Parcels so that items of up to 350 x 250 by 160mm would now be classed (and priced) as a Small Parcel. The proposed new size is approximately the size of a large shoebox. Parcels up to 450 x 350 by 80mm would also continue to be priced as Small Parcels. Small Parcels can typically be carried on foot by posties as they complete their delivery rounds, as long as the weight does not exceed 2kgs. The change would mean that over 80% of parcels delivered by Royal Mail would qualify as Small Parcels.


 [Great Expectations of Online Shopping](#). As online shopping has become the norm for many Americans, it has brought operational changes to both brick-and-mortar retailers and online retailers. Shipping costs are now a major consideration for companies. Retailers are working to control their shipping costs as their ebusiness grows, with the traditional retailers relying on their extensive network of stores to reduce shipping costs.

 [Yahoo! Small Business Advisor](#): A survey study conducted by marketing firm Epsilon of over 2,000 U.S consumers, showed that 50% of American consumers pay more attention to their mail, and 60% said that they "enjoy checking the mail box for postal mail." The key to a successful marketing campaign is to hold the attention of your prospect long enough for you to sell your product or service. The more expensive or complicated your product or service the more "face time" you're going to need with your prospect. So your marketing message will have to make an immediate and meaningful connection. That way, she'll reward you with her time and attention. This is the beauty of a well-crafted direct mail piece, newsletter, or newspaper ad...it can give you more time with your prospect.

 [Government Executive](#): The U.S. Postal Service began sending early retirement offers to more than 15,000 employees Monday, as part of an ongoing effort to reduce its workforce while avoiding layoffs. USPS said it does not have an exact goal for the number of employees who accept the offers, but confirmed it has identified 15,580 field employees on the Executive and Administration Schedule who are eligible. EAS workers are generally managers, supervisors and local postmasters.

 [Washington Post](#): U.S. and Cuban representatives met in Havana on Monday for renewed talks on re-establishing direct mail service, 50 years after it was severed amid Cold War tensions relations. The American delegation was led by Lea Emerson, executive director for international postal affairs at the U.S. Postal Service, and included State Department officials. They met with Cuban counterparts, including Johana Tablada, deputy director of the Foreign Ministry's U.S. affairs division. Cuba has a skyline to match — a coast-to-coast line of apartments. A State Department communique called the talks "fruitful" and said delegates would tour Cuban mail facilities Tuesday.

September 16, 2013

 [Daily Camera](#): All Boulder area mail carriers are working their routes Monday, and mail that cannot be delivered because roads are closed or houses are severely affected by flood waters can be picked up at area post offices, a United States Postal Service spokesman said.



[U.S. Senate Committee on Homeland Security and Governmental Affairs](#) Chairman Tom Carper (D-Del.) and Ranking Member Tom Coburn (R-Okla.) will hold a hearing titled "Outside the Box: Reforming and Renewing the Postal Service, Part I – Maintaining Services, Reducing Costs and Increasing Revenue Through Innovation and Modernization" on **Thursday, September 19, 2013 at 10:00 a.m. in room 342 of the Dirksen Senate Office Building** in Washington, D.C. The purpose of the hearing is to explore how the Postal Service can be renewed and reformed to thrive in this changing environment, and will include an examination of solutions proposed in S. 1486, the Postal Reform Act of 2013. This hearing is the first of two the Committee intends to hold on this topic, and will focus on postal services, including delivery schedules, delivery standards and post office services; possible changes in the postal ratemaking system; and innovation at the Postal Service, including the potential offering of new and innovative products and services.


For more information or to watch a live stream of the hearing, please go to:


<http://www.hsgac.senate.gov/hearings/outside-the-box-reforming-and-renewing-the-postal-service-part-i-maintaining-services-reducing-costs-and-increasing-revenue-through-innovation-and-modernization>. (Note: Please refresh the hearing webpage at the scheduled start time. Streaming will start once the hearing begins.) Witnesses:


<u>Panel 1</u>	<u>Panel 2</u>
The Honorable Patrick R. Donahue Postmaster General and Chief Executive Officer U.S. Postal Service	Cliff Guffey President American Postal Workers Union
Ruth Goldway, Chairman Postal Regulatory Commission	Jeanette P. Dwyer President National Rural Letter Carriers' Association
The Honorable David C. Williams Inspector General U.S. Postal Service	John Beeder President and Chief Operating Officer American Greetings
	Jerry Cerasale Senior Vice President, Governmental Affairs Direct Marketing Association, Inc.
	Seth Weisberg Chief Legal Officer Stamps.com


 [2Merkato](#): Ethiopian Postal Service, state owned enterprise (EPSE) announced 210.8 million Ethiopian birr


earning in the concluded Ethiopian Fiscal Year. Ziyin Gedlu, public relations head with the Ethiopian Postal Service told Walta Information Center, that the revenue earned in the reported period exceeds that of the previous year by 30 per cent.

 [Haaretz](#): Israel's postal service seeks government intervention to save it from bankruptcy Investors say government action is needed to turn around Israel Post, as analysts predict large operating losses if a major recovery plan is not implemented.


 [PRWeb](#): Taradel LLC announced today the launch of Demographics with Heatmap ROI, an upgrade to its existing online mapping technology for the USPS® Every Door Direct Mail® program. The new feature enables advertisers to mail offers to the postal carrier routes that best match their target audience profile. Advertisers can include up to three demographic selections, at no additional cost, to identify the best direct mail campaign distribution areas. Available demographic selections include: household income, age, home ownership, presence of children, and gender


 [3News](#): New Zealand Post has announced it will no longer attempt to deliver standard post letters locally by the next day - instead saying it will take up to three days to journey across town. The delivery target extension is part of the downsize NZ Post announced in June, which has resulted in the loss of 100 management jobs and 120 postal worker jobs.

 [What They Think?](#): Adobe's September 16th announcement signals a new era of measurement for digital publications. Through analytics included with Digital Publishing Suite, Adobe now enables publishers to measure the total number of tablet readers per issue, total number of sessions per issue, average amount of time spent per reader per issue, and average number of sessions per reader per issue, providing a clear method to measure and report audience readership and engagement across multiple digital magazine editions. In this development process, Adobe collaborated with two key industry associations, the Association of Magazine Media (MPA) and the American Association of Advertising Agencies (4As), as well as leading publishers. The implementation was audited by the Alliance for Audited Media (AAM) to ensure that the methodology provides accurate and consistent industry-wide benchmarking for publishers. The MPA represents the 200 largest consumer magazine publishers in the U.S. who publish more than 1,000 titles.


 [Kirriemuir Herald](#): The Royal Mail should be renationalised in an independent Scotland but it is impossible to know how much this will cost, according to the SNP's postal affairs spokesman. Mike Weir has backed First Minister Alex Salmond's demand for a moratorium on the UK Government's sell-off of the Royal Mail until after the independence referendum to protect assets which could transfer to Scottish public ownership. Mr Weir said a Scottish Royal Mail "would cost no more than it does at present", but said "nobody can know" how much it would cost to buy back the assets if UK privatisation proceeds as planned.

 [Post & Parcel](#): Communications industry union SEKO called the strike action last week after failing to secure its demands in labour contract negotiations with management organisation Almega Tjänsteförbunden. The strike notice calls for "total stoppage" among the union's 2,200 members at PostNord, the parent company of Sweden Post, and also at Bring City Mail, the company owned by Norway Post, which operates in Sweden. Action would begin at midnight on 18th September, with no definitive end announced.


 [Winston-Salem Journal](#): The national labor contract between United Parcel Service and the International Brotherhood of Teamsters is the target of a complaint filed last week in Winston-Salem by another labor union. The Association of Parcel Workers of America has asked the National Labor Relations Board to void the national contract between the Teamsters and UPS. The aim of the parcel workers' union appears to be throwing a monkey wrench into negotiations between the Teamsters and UPS. The latest national contract of a 34-year-old partnership expired July 31, but it has been extended to allow negotiations to continue toward a new five-year deal.


 [WAFB](#): Baton Rouge authorities are discovering more and more illegal drugs being traded through U.S. mail and other methods, such as private delivery services.

September 15, 2013


 **NAAD** *Congratulations to PostCom board member Wanda Senne on her receiving the National Association of Advertising Distributors highest honor, the Merlyn R. Webb Award, in recognition of her extraordinary work in behalf of the mail advertising distribution industry.*




 **Seeking Alpha:** The U.S. Postal Service is engaged in a well-publicized battle for survival in this era of digitization. With the closure of its paper mill in Courtland, Alabama, International Paper (IP) has further underlined the inexorable drive of digitization. On September 11, 2013, IP announced the following: "This mill closure will reduce IP's North American uncoated and coated freesheet paper production capacity by 950,000 tons, of which 765,000 is uncoated freesheet... ..The Courtland Mill produces papers for forms, envelopes, labels, copiers, printers and magazines. The demand for uncoated freesheet in North America has been in decline since 1999 and has recently accelerated as consumers continue to switch to electronic alternatives such as online publications and electronic billing and filing."


 **BBC:** The general secretary of the CWU, Billy Hayes, has said that he is certain postal workers will vote in favour of strike action, amid controversy over plans to privatise Royal Mail.

 **The Sunday Times:** A Scot who was in charge of Hong Kong's postal service has strongly condemned plans to privatise the Royal Mail. The Westminster government fired the starting gun last week for a £3bn flotation which will end the Royal Mail's 378-year history of state ownership. Michelangelo Pagliari, who was postmaster general in Hong Kong from 1992 to 1995, when it was a British colony, said he was "totally opposed" to the proposal and expressed disgust that Moya Greene, the chief executive of Royal Mail, earned £1.5m last year.


 **Business Day:** The South African Post Office (Sapo) is set to reveal next week that it plunged into a loss for the first time in recent memory, and the prospect of things improving seem dim. Profits dropped from R944m in 2005 and gradually declined until the service finally declared a net loss of R178.6m for the 2013 financial year to March. This constitutes evidence of how the standoff with labour affects even government-owned companies like the Post Office. Strikes alone cost it R100m last year. Partly because of labour problems, its wage bill ballooned by R230m from the previous year. Another major problem was that its shareholder, the government, decided to cancel one of its biggest contracts, the payouts to social grant recipients. This illustrates how the state-owned postal business floundered under the previous minister, Ms Dina Pule.


 **Washington Post:** Maryland's U.S. congressional delegation spent more than \$1.1 million sending official mail through the U.S. Postal Service, requiring only their signatures to reach constituents from 2010 through the first quarter of 2013, according to an analysis by The Frederick News-Post. Called "franked mail," the practice is a privilege about as old as the legislative body itself. It is used by Congress to send official mail, most often in the form of a mass mailing of 500 pieces or more, Franking Commission spokesman Steve Dutton said. Cuts in members' allowances has meant that offices have to rely a little more on social media to reach constituents. Even as social networks rise in popularity among members of Congress, they "want to be able to use the mail to be able to reach constituents. [EdNote: Then pass postal reform!!]"


September 14, 2013


 **Nikkei:** Japan Post Co. plans to raise its postal charges for the first time in 20 years if the Japanese government goes ahead with a scheduled sales tax hike next April, company officials said Friday.


September 13, 2013


 [The Telegraph](#): The trade unions destroyed its ability to harness technology and provide a public service. This privatisation is necessary and overdue, but a bit sad. When the Communication Workers Union tugs at our heart-strings about the destruction of a great national public service, one should ask it who has been the agent of that destruction. As with the print unions in old Fleet Street, once-proud skills gradually became restrictive practices and organised obstruction. The unions are right that the Royal Mail was an extraordinary cultural achievement; why, then, have they trashed it?


 [The Guardian](#): The Bow Group, Britain's oldest conservative thinktank, says privatisation is so unpopular with voters as to risk damaging Tory vote in 2015.


 [Postalnews Blog](#): USPS has announced it will be collaborating with eBay, one of the world's largest marketplaces, to open a Postal Store on the site at ebay.com/stamps. The new website will offer stamps and other USPS-related merchandise for sale. The goal of this alliance is to expand the Postal Service's reach to more domestic and international customers through the online store. Chief Marketing Officer Nagisa Manabe also announced that USPS will begin auctioning stamp-related collectible items from the Postmaster General's Collection beginning today at 3 p.m. EDT on eBay. "This powerful alliance with eBay allows the Postal Service to showcase its unique collection of stamp artwork on one of the world's largest online marketplaces," said Manabe.

 [Postalnews Blog](#): As a part of its network optimization effort, USPS has developed a facility ranking strategy to align staffing across the entire mail processing network. Included in this strategy are processing and distribution centers, processing and distribution facilities, logistics and distribution centers, network distribution centers, international service centers and annexes. New rankings and Executive and Administrative Schedule (EAS) staffing criteria went into effect Sept. 7. With these changes, USPS also will implement an organizational change process that could include a reduction-in-force (RIF). Communications about these changes began last week. Managers will keep employees informed throughout the process. As part of the effort to avoid a RIF, USPS is offering a Voluntary Early Retirement (VER) to field EAS employees at all locations, regardless of whether they're impacted. An incentive is not a part of this VER offering. VER eligibility is based on a Dec. 31, 2013 VER-effective retirement date. USPS will mail annuity estimates to VER-eligible employees the week of Sept. 16. VER-eligible employees may retire either Dec. 31, 2013, or Jan. 31, 2014. Requests for early retirement must be submitted no later than Nov. 29 and can't be withdrawn after that date. More information related to the RIF and the VER is available on the LiteBlue employee website. Go to the [Organizational Changes](#) pages and the [Workforce Connection](#) site. Employees also can find these links in the "Hot Topics" section on LiteBlue, or the "My HR" section on the upper right corner of the LiteBlue home page.


 [Senate Homeland Security and Governmental Affairs Committee](#): "Outside the Box: Reforming and Renewing the Postal Service, Part I – Maintaining Services, Reducing Costs and Increasing Revenue Through Innovation and Modernization" September 19, 2013 10:00AM SD-342, Dirksen Senate Office Building. For more information or to watch a live stream of the hearing, [please click HERE](#). (Note: Please refresh the hearing webpage at the scheduled start time. Streaming will start once the hearing begins.)


 [GlobalPost](#): Japan will reach an agreement soon to help Vietnam introduce a Japanese-style postal system to enhance the quality of its services, Japanese government officials said Friday. Japan plans to help Vietnam introduce automatic postal code-reading and sorting machines, and improve its mail distribution network, the officials said.


 [The Guardian](#): "Royal Mail privatisation - the key questions answered"


 The **Postmaster General has announced the selection, effective September 14, of James (Jim) Nemeč** as Vice President, Consumer and Industry Affairs. Jim, who will report to the Deputy Postmaster General, will be responsible for managing U.S. Postal Service (USPS) customer support—from small businesses or individual consumers to large corporations and commercial mailers—and will oversee the Office of the Consumer Advocate. He also will lead USPS communication with the mailing industry to find practical solutions and simpler ways for customers to work with the Postal Service and encourage growth in the mailing industry. Prior to being named Vice President, Consumer and Industry Affairs, Jim served as the Manager, Operations Support, for the Capital Metro Area, where he oversaw the mail processing and delivery program operation applications for an Area that is


comprised of eight Districts (Atlanta, Baltimore, Capital, Greater South Carolina, Greensboro, Mid-Carolinas, Northern Virginia, and Richmond) and provides mail service to approximately 16 million customers.


 [Financial Times](#): Royal Mail's decades of continued public ownership have left it looking less like a thoroughbred. In part, that is because the internet once threatened to turn the universal postal service into an anachronism, until the rise of online retail created an unexpected source of demand. But it is also the legacy of serious mismanagement. The huge pension deficit that was allowed to accumulate before profitability was restored testifies to the unwillingness of successive governments to face commercial reality. The company has been slow to confront its workers with the scale of the efficiency improvements that are needed. Its new owners are unlikely to be similarly acquiescent. This is unwelcome news for its workers, who have not been appeased by the offer of free shares and are threatening to go on strike. That risk will need to be priced in, along with the investment required to bring the growing parcels business up to the same level of automation as the shrinking letters division.


 [Daily Record](#): Scotland's Royal Mail delivery network is facing annihilation when the Con-Dems' privatisation goes ahead. Thousands of our remote communities rely on the national mail network as a lifeline. But that service will be deeply eroded or scrapped as costly deliveries to outlying areas are sacrificed in the new business's drive to maximise profits for shareholders. Customers could even have to pay the actual full cost of sending a letter to remote parts of Scotland – which in some cases could be as high as £70.


 [The Guardian](#): Royal Mail staff are set to disrupt postal services in a rolling programme of strikes after ministers unveiled plans for a £3bn privatisation of the postal service within six weeks. As the government embarked on a state sell-off, confirming the sale of at least half of Britain's 497-year-old postal service, the Communications Workers Union warned it was planning a series of strikes that could paralyse deliveries nationwide.


 [Biztech Africa](#): Botswana's two oldest organisations, Barclays Bank of Botswana and Botswana Post have teamed up to offer prepaid electricity to their clients in a move that is meant to ease domestic electricity distribution woes from Botswana Power Corporation (BPC). Botswana Post is one of the super vendors appointed by Botswana Power Corporation (BPC) to sell prepaid electricity. This was on the backdrop of BPC's decision to convert its customer base from post paid to prepaid smart meters.

 [HR Magazine](#): The privatisation of the Royal Mail will cause a disengaged workforce that is continually worried about job security, according to shadow financial secretary to the treasury, Chris Leslie. Speaking to HR magazine, Leslie said he is "worried" these shares will become "synonymous" with concerns over long-term job security and will create an "unhappy work environment". He would rather employees stakes were associated with a positive involvement in the company.


 [Post & Parcel](#): Brazil Post said yesterday afternoon that its services are "operating normally" throughout the country, after six of 35 regional unions decided to go on strike.


 [Business Wire](#): MoneyGram, a leading global money transfer company, announced today that it has signed an agreement with Poste Italiane, the postal services' operator in Italy. Through this agreement, MoneyGram will continue to offer services to consumers at convenient locations close to where they live and work. MoneyGram's growth strategy includes aligning with postal operators to provide consumers with convenient access to reliable money transfer services in easily accessible locations. MoneyGram has relationships with postal services in countries including the United Kingdom, Canada and the Netherlands, and plans to continue expanding those relationships.

 [Fairmont Sentinel](#): What is the right thing to do with smalltown post offices? With the Postal Service losing money, plans had called for some of these post offices to be closed. But that created worries about how to serve residents who live in those towns, some of whom may be older and less savvy with the Internet, which has fundamentally changed the way Americans communicate and pay bills.

 [Micro-warehousing Opportunities](#) The warehousing and storage industry generated \$27 billion of revenue nationwide in 2012. Warehouse and storage facilities primarily store general merchandise, refrigerated goods,

and other warehouse products. They also provide related similar services, such as third-party logistics, self-storage, fulfillment, distribution, and international package consolidation/forwarding. With the explosion of e-commerce and related increased parcel growth, the Postal Service has a potential role to serve in this changing marketplace. . . .

 [The Telegraph](#): With economic indicators soaring and City confidence rising too, the market conditions are set fair. But the bigger problem was neatly summed up by one postal worker speaking to the BBC: "Who's going to buy us?" Over the next two weeks analysts will be despatched to sell the equity investment case to the real target: big institutions and pension funds. Investors have already been prepped: Moya Greene, boss of Royal Mail, has been informally flogging the case for 18 months. But questions remain over the valuation, the growth prospects, the future role of the Government and, above all, the workforce.

 [PRNewswire](#): The country's two largest proxy advisers, ISS and Glass Lewis, have both recommended that FedEx [NYSE: FDX] shareholders support a Teamster proposal calling for an independent chairman of the board at the company's annual meeting Sept. 23. Fred Smith, the company's founder, has served as both chairman and CEO of FedEx and its predecessor entities for more than 35 years.



[Global Address Data Association](#): The "newspaper of record" of the direct marketing industry in the US, Target Marketing, gives us the results of its analysis of the top 50 mailers in the US. Mail is not only NOT dead, it is thriving, and serious companies are making serious use of it.




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

- The Postal Service Board of Governors met on September 5 in closed session to discuss various topics, including whether or not to move forward with an exigent price increase. The Governors met with industry representatives to discuss the effects of such an increase on the mailing industry. The Governors decided to postpone making any decision until its next meeting scheduled for September 24 and 25.
- The American Postal Workers Union, AFL-CIO has filed a complaint with the Postal Regulatory Commission that said, ". . . the Postal Service is regularly failing to comply with the Service Standards set by its regulations in violation of Section 3691(b)(1)(B) of the PRA as amended by the PAEA, which requires the Postal Service to "preserve regular and effective access to postal services in all communities, including those in rural areas or where post offices are not self-sustaining."
- USPS to host a series of webinar on migrating to Full Service IMb. USPS likely to seek 'emergency' increase in stamp prices. Most dangerous jobs: postal work tops list among federal civilian positions. Postal unions push back on Senate bill. Workshop submissions are being accepted for 2014 NPF. NAPS supports comprehensive legislation. Will a busy fall Congressional schedule derail postal reform? FedEx rides the IoT wave with near real-time tracking. Direct mail advertising in the US industry market research report has been updated. Don't shrink the USPS, expand it. Rosemarie Fernandez named USPS Employee Resource Management VP. Resolution 40: A USPS for the 21st Century. What is sensor-based logistics?
- Updates from the Federal Register.
- An update from the USPS Office of Inspector General.
- Postal previews.


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




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 [PRNewswire](#): Harvey Software, Inc. announced that its best-selling multiple carrier shipping software, CPSLogic, now provides electronic manifesting for USPS package shipping using the Electronic Verification


System (eVS). Today, Harvey Software, Inc. announced that its best-selling multiple carrier shipping software, CPSLogic™, now provides electronic manifesting for US Postal Service package shipping using the Electronic Verification System (eVS). USPS eVS allows high-volume package shippers and package consolidators to document and pay postage using electronic manifest files, which are then transmitted over the Internet to a Postal Service™ database. eVS is designed to make post office shipping easy for high-volume package shippers.


 [Daily Mirror](#): People in Holland have to wait for four different companies to deliver post after the country privatised its mail services. The Netherlands was the first country in the world to sell off its state-owned system in 1989 but it has led to the closure of around 90% of its post offices. Four competing firms handle the mail so homes and businesses get letters and parcels from men and women in orange uniforms from PostNL, run by multinational company TNT, blue postmen from Sandd, a private firm, yellow staff from Selekt, owned by DHL, and the half-orange postmen of Netwerk VSP, also TNT-run. To add to the confusion, TNT delivers six days a week, Sandd and Selekt two days a week, and VSP just once. And Dutch post boxes are only emptied once a day. After Belgium's government flogged 50% of La Poste in 2006, 30,000 workers went on strike because of job losses and a drive by bosses to replace full-time workers with part-time employees on lower wages. In Austria, stamp prices soared to 90p after the post was sold to a private firm. Deutsche Post is run by DHL in Germany but laws protect its services. There are no such plans if the Royal Mail is sold off. Mario Dunn, of Save Our Royal Mail, said: "A first-class stamp in Austria costs nearly 90p. With privatisation, the real threat in the UK is the £1 first-class stamp. "Customers should not be held to ransom with large price increases to meet either quality-of-service improvements or the need to return large profits to private-equity owners."


September 12, 2013


 [Sensaware](#): SenseAwareSM powered by FedEx is a new, innovative technology that's leading the way in the exciting field of sensor-based logistics (SBL). What is Sensor Based Logistics So what exactly is SBL? A combination of cutting-edge hardware and advanced software systems, SBL uses sophisticated sensors to detect temperature, light, humidity, barometric pressure, and location. It then uses the latest communication technology to transmit this data in near real-time — providing the user with a constant, accurate picture of what's happening inside their supply chain. These hardware solutions are paired with software management programs to display and analyze the data. Together, they create a new nervous system for the backbone of global supply chains.

 [New York Times](#): Any erosion of health care benefits poses a singular threat to labor leaders, whose arsenal of tools to attract workers into union membership has dwindled alongside the decline of their organizations and their concomitant loss of influence around the country. Many unions and retirees have lost some benefits since the recession began, especially in the public sector as governments froze pension plans.


 [Citywire](#): Royal Mail: the pros and cons of the privatisation.


 [AFL-CIO](#): The AFL-CIO and its affiliated unions are called on to help mobilize the entire labor movement and our allies in the progressive community to defeat the forces of austerity and anti-unionism in the debate over postal reform. We must repeal the pre-funding mandate, free the Postal Service to diversify its services, and use the Postal Service's unique networks to address other national problems by enacting legislation that promotes innovation and growth, not downsizing and decline.


 [Daily Express](#): A ruling from Brussels means the Government would be powerless to prevent a privatised Royal Mail falling into the hands of a foreign investor, Express Online has learnt. EU competition law means the Government is unable to include a "golden share" in the proposed £3billion sell-off that would block a rival postal service such as Germany's giant £24billion Deutsche Post swooping in and taking it over.


 [Post & Parcel](#): The Universal Postal Union has signed an agreement pledging to help public-owned postal services claw back market share in Latin America. The UN-affiliated agency signed the agreement with its restricted union for the region, the Postal Union for the Americas, Spain and Portugal (UPAEP). The Berne-based UPU said it estimates that Posts hold less than 20% of the postal market in the region, after "years of neglect" and a lack of


postal regulation allowed private competitors to capture the "lion's share" of business. Some designated postal operators in the region have steadily improved operations, but most are still facing an "uphill battle", the UPU said.


 [Postalnews Blog](#): With none of the fanfare that greeted its introduction two years ago, Apple has quietly discontinued its Cards app, which allowed users to create printed greeting cards that would be sent to the recipient by the USPS. Apple says users who want to send cards from their phones can use the iPhoto app, which uses "a carrier such as FedEx rather than through the United States Post Office". The only apparent "announcement" of the move is this item on the Apple support web site: As of September 10, 2013, the Cards iOS app service is no longer available. Cards ordered before 1 PM Pacific time on September 10, 2013, will be delivered, and push notifications will continue to work. You can view your previous purchases by tapping Saved Cards in the app. Note: You can still order beautiful letterpress cards customized with your photos and text using iPhoto on your Mac. Cards ordered through iPhoto are shipped through a carrier such as FedEx rather than through the United States Post Office."
[EdNote: Another one bites the dust.]


 [IBTimes](#): The chief of the Communications Workers Union has alleged that the government's decision to privatise the Royal Mail is down to cronyism. "This isn't about what's best for the Royal Mail, it's about vested interests of government ministers' mates in the City," said general secretary of the CWU Billy Hayes.


 [ITV](#): Royal Mail chief executive Moya Greene was reportedly booed by postal workers when she met union representatives in Birmingham today.


 [Brand Republic](#): The Direct Marketing Association (DMA-UK) has welcomed confirmation that the Royal Mail will be privatised, arguing the move will help to create increased competition in the sector.

 [Wall Street Journal](#): Some would call it luck, others would call it shrewd handling of the state's finances, but George Osborne's tenure as Treasury chief has coincided with the government coffers being boosted by a number of fortuitous windfalls. Needing all the help he could get in tackling Britain's biggest peacetime budget deficit, when he came into office Mr. Osborne was quick to eye up the state-owned Royal Mail's pension pot. In one bold move, the Treasury chief eliminated a substantial chunk of the deficit by 'transferring' around £28 billion (\$44.2 billion) of assets from the pension fund.

 [Postalnews Blog](#): PMG Pat Donahoe has announced the selection of Rosemarie Fernandez as Employee Resource Management VP, effective immediately. Fernandez has held the position on an acting basis since June 3, 2013. Fernandez is responsible for directing talent acquisition and retention programs and personnel services, along with selection, safety, health and medical programs. Additionally, she is responsible for managing Human Resources Shared Services, organizational design and workforce effectiveness and the ergonomics and risk-reduction program.


 [PRNewswire](#): Cenveo, Inc. is pleased to announce the US Bankruptcy Court for the District of Delaware approved the sale of National Envelope's assets this afternoon. In conjunction with Hilco Receivables (acquiring substantially all the accounts receivable) and Southern Paper (purchasing the inventory), Cenveo will acquire substantially all of the assets of National Envelope. The parties expect the sale to formally close on Monday, September 16, 2013.


 [This Day](#): It was a typical case of many days for the thief and one day for the owner when a 42-year-old Nigerian, Edo-born Emmanuel Ehkator, extradited to the United State of America in 2011 over allegation of mail and wire fraud has been sentenced to a three-year jail term, and also ordered to pay \$11,092,028 in restitution to his victims.


 [Focus Information Agency](#): "Government does not plan to privatise the Bulgarian Posts," said Bulgarian Minister of Transport, Information Technologies and Communications, Danaïl Papazov, speaking for the morning programme of TV7, in a commentary on the information spread in the public area that the state postal company will be launched for privatisation. Minister Papazov added that possible privatisation of the state-run company has never been discussed.


Deutsche Post DHL


[Parcel2Go](#): DHL wins 10-year Gatwick Airport mail handling contract.


 [Yahoo Finance](#): Royal Mail Group Ltd., the U.K. postal operation, will go public soon. Among the reasons appears to be that the government would like to make money on the value of the institution and avoid the losses that being in the old-time post office business brings. If the British postal service can go public, the solution to the deep troubles of the U.S. Postal Service (USPS) may be to set an IPO as well. The barrier to a USPS initial public offering is the huge retirement funding obligation it has, and whether the new public company would be obligated to take and fund it. It is hard to determine what the future of this mandate is. Perhaps if the Post Office was free from the clutches of Congress, the mandate could be ended, or at least altered in a way that would not make it so much of a burden.

 [HRMagazine](#): Royal Mail employees are set to receive shares worth £2,000 each after the Government confirmed privatisation of the postal service "will begin in weeks". Around 150,000 of its UK-based employees will receive shares in the newly-listed company. Employees will also be able to apply for additional shares under an employee priority offer, with a minimum application of £500. Members of the public will be able to apply for a minimum of £750-worth of shares.

 [Daily Telegraph](#): Ministers today vowed the historic £3 billion privatisation of Royal Mail would not be derailed by the threat of a nationwide strike as union chiefs slammed the Government for "betraying" the British public.


 [Associated Press](#): The U.K. coalition government has confirmed plans to privatize the country's 500-year-old Royal Mail this fall. Business Secretary Vince Cable said Thursday an initial public offering of a majority stake in the postal service was scheduled for the coming weeks.

 [PRWeb](#): Direct mail advertisers distribute marketing materials, such as coupons, flyers or samples by mail through the US Postal Service (USPS) and less often through other commercial delivery services. A reduction in corporate profit margins led to cuts in spending on all forms of advertising during the recession. Increased competition from other promotional tools, including the internet, email and text messaging, also hurt the industry. According to IBISWorld Industry Analyst Stephen Morea, "These factors caused demand for the Direct Mail Advertising industry to decline at an estimated annualized rate of 1.2% to \$11.7 billion over the five years to 2013."

 [Truthout](#): If you listen to the news, you may believe that the US Postal Service (USPS) is a dying institution. The manufactured "fiscal crisis" has been used as an excuse to make the public believe that cuts must be made to the Postal Service. These cuts are part of an ideological agenda to dismantle the Postal Service. They have nothing to do with reality. The USPS is the second-largest employer in the United States, after Walmart. Currently there are 550,000 career and 100,000 non-career employees. At its peak, there were nearly 900,000 employees. If the pre-funding mandate did not exist, the USPS would have been able to invest in expanding its services and creating more jobs with living wages and benefits. And the USPS also would have been able to modernize and to move in a more sustainable direction by transitioning to a green fleet of vehicles.



[Postal Technology International](#): UK Post Office reaches 1,000 branch conversions as part of £1.34bn modernisation plans


 [PostEurop](#): The latest issue of our [PostEuropNEWS](#) is available for download at the following online link: <http://www.posteurop.org/AllNewsletters>




From the Federal Register:

Postal Service
NOTICES

Product Changes:		
	Parcel Select Negotiated Service Agreement ,	
	56248 [2013–22144]	[TEXT] [PDF]
	Priority Mail Express and Priority Mail Negotiated Service Agreement ,	
	56248 [2013–22146]	[TEXT] [PDF]


 **This Day:** The Universal Postal Union (UPU), international regulatory body for postal services, has said Nigeria is a key market for the growth of postal services in Africa.












September 11, 2013

 **Direct Marketing News:** During their conference call last week, members of the U.S. Postal Service Board of Governors brought up the issue of an exigent rate increase, but chose to table it until their meeting in Kansas City on September 24-25. It was a small, but important, victory for the Affordable Mail Alliance (AMA), which had sent a letter to the Board asking it to consider the effect a rate hike might have on 8 million private sector jobs and annual related revenues of \$1.3 trillion. "The governors gave us two weeks to see if mailers and postal employees could rally to push for postal reform," says Jerry Cerasale, SVP of government affairs at the Direct Marketing Association, a member of the AMA. "So we have been talking with all four unions and we hope that, if they see some movement in the right direction, the governors will ask for an increase based on the Consumer Price Index and not file for an exigent increase."


 *At the Postal Regulatory Commission:*

- Postal Service Active Employee Statistical Summary (HAT Report), Pay Period 19, FY 2013
http://www.prc.gov/docs/87/87827/Letter_HAT_PP19FY13_20130911163502.pdf
http://www.prc.gov/docs/87/87827/HAT_Report_PP19_FY_2013.pdf
- On-Roll and Paid Employee Statistics (ORPES), August, FY 2013
<http://www.prc.gov/docs/87/87826/20130905122352297.xlsb>
http://www.prc.gov/docs/87/87826/Letter_ORPES_AugFY2013_20130911163421.pdf

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

-  TNT Post Germany wants to get rid of its image as a wage squeezer.
-  Globally there is no indication that letter mail volumes will stabilise'. For Ahmed Fahour, CEO of Australia Post, the future prospects of the traditional letter are quite dim.
-  Rising fuel prices are currently Pos Malaysia's biggest cost driver.
-  It is official now: Portuguese CTT Correios is to be privatised.
-  There is still no agreement in the conflict between the Brazilian post and the unions
-  TNT Post Germany's new CEO plans to further increase the company's stakes in alternative mail service providers.
-  Deutsche Post wants to speed up the development of a comprehensive convenience logistics network.
-  UPS plans to market its shops for private customers in Europe under the name UPS Access Points.
-  The scandal about the illegal sale of customer data by express services in China (CEP-News 05/13) has wider repercussions. In a report by state owned TV broadcaster »CCTV« (30.08), journalists revealed that almost all express service providers sold customer data.
-  PostNord realigns its logistics business under a single brand. Last week, the holding company of Post Danmark and Posten AB announced that all logistics activities will operate under the brand name PostNord Logistics in the future.
-  The Brazilian government called on the post to determine the possibility of establishing a public webmail platform. According to yet unconfirmed reports, the service is to be offered for

free to Brazilian citizens. The ministry of communications hopes to finance the secure e-mail system through co-operations and advertisements.

 The Belgian post wants to restructure its letter mail delivery. According to the plans, half of all domestic letters and all parcels are to be sorted in a central sorting centre near Brussels from 2016 on.



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




Postal One! Help Desk: Full-Service Intelligent Mail Requirements for Automation Prices.

Effective January 26, 2014, the use of Full-Service Intelligent Mail is required to qualify for automation prices for First-Class Mail® postcards, letters, and flats, Standard Mail® letters and flats, Periodicals® letters and flats and Bound Printed Matter® flats. To learn about the benefits and requirements of Full-Service the Postal Service has scheduled the following webinars:


- September 16, 2013 – Full-Service MIDS and CRIDS
- September 23, 2013 – The Business Customer Gateway
- September 30, 2013 – Full-Service Feedback


A Full-Service "Open-Line" call is scheduled for every Wednesday from 2:00 PM to 3:00 PM eastern beginning September 11, 2013. USPS representatives will be online to answer any questions related to Full-Service Intelligent Mail. Log in information is posted on RIBBS/Intelligent Mail Services/Education.


 [Tamebay](#): Compensation claims for non-delivery are a regular occurrence that successful ecommerce businesses have to contend with. It's one of the unpalatable costs that have to be absorbed. In addition, there's increasing pressure on sellers to provide free delivery so it's important to know when a more expensive tracked service might be prudent in order to avoid potential claims. Wouldn't it be useful to know how many times a particular address has claimed that their item was not delivered? The Delivery Claims Database aim to cut some of the cost of failed online deliveries, which in 2012 they say was a massive £851m. Launched this month by Postal Options, it's a subscription-based service whereby subscribers can share information on delivery compensation claims and search the database to find historical claims at address level.




[From the Federal Register: State Department](#). Advisory Committee on International Postal and Delivery Services , 55773 [2013–22089] [[TEXT](#)] [[PDF](#)]


 [Post & Parcel](#): FedEx Express, Polar Air Cargo and UPS have each been awarded \$171m contracts by the US Department of Defense to provide small package delivery services. The federal government department decided at the end of August to award the fixed-price contracts through a competitive tender process. The contracts are to involve worldwide activity, running through to September 2014.


 [Computerworld](#): In the logistics industry, the ability to allow customers to track items from the time they place a delivery order to the time they arrive at their destinations is important. While barcodes and 2D barcodes give visibility of items, they don't allow dynamic tracking and timely update of a shipment's condition. According to Anthony Leung, managing director, Hong Kong and Macau, FedEx Express, the company started R&D for its SenseAware service a few years ago when there were corporate customers demanded more tracking capabilities and timely updates.


 **Government Executive:** The top oversight leader in the House has vowed to move forward with his bill to reform the U.S. Postal Service, despite the full plate of high-priority issues Congress currently faces. Both the House and Senate, which came back to Washington this week after a month-long recess, must vote on authorizing President Obama to use military force in Syria; a continuing resolution to avoid a government shutdown; and raising the looming debt ceiling, which the Treasury Department said the government will hit in mid-October. Another potential roadblock to postal reform cropped up Monday when a group of federal employee unions announced their opposition to two major provisions included in the most significant Senate proposal to overhaul USPS. The Senate committee will hold two hearings later in September, and Carper is "eager to move forward" with his bill, according to a committee aide.

September 10, 2013

 **National Association of Postal Supervisors:** "The National Association of Postal Supervisors, representing over 28,000 active and retired supervisory and managerial employees of the United States Postal Service, supports the passage of comprehensive postal reform that ends the financial crisis afflicting the Postal Service and provides a foundation for future stability and growth. While no single action will solve the Postal Service's problems, NAPS believes that four key solutions lie at the heart of comprehensive postal reform...."

 **At the Postal Regulatory Commission: Postal Regulatory Commission Public Meeting,** Wednesday, September 11, 2013, at 11 a.m., Commission Hearing Room, 901 New York Avenue NW, Suite 200, Washington, DC 20268-0001. Click here for Agenda. Portions Open to the Public 1. Report on legislative activities. 2. Report on handling of rate and service inquiries from the public. 3. Report from the Office of General Counsel on the status of Commission dockets. 4. Report from the Office of Accountability and Compliance. 5. Report from the Office of the Secretary and Administration. 6. Report on the Public Representative program pursuant to 39 U.S.C. 505. Chairman's Public Comment Period Portion Closed to the Public 7. Discussion of pending litigation. For more information, please contact: Shoshana M. Grove, Secretary of the Commission, at 202-789-6800 or shoshana.grove@prc.gov

 **U.S. Court of Appeals for the District of Columbia Circuit:** *USCA Case #12-1367 Document #1454842* --"It is ORDERED, on the court's own motion, that the following times are allotted for the oral argument of this case scheduled for September 19, 2013, at 9:30 A.M.: Petitioner NAA -- 10 Minutes Intervenors NNA/Valpak -- 5 Minutes Respondent PRC -- 15 Minutes Intervenors USPS/Valassis -- 3 Minutes The panel considering this case will consist of Circuit Judges Henderson and Griffith, and Senior Circuit Judge Randolph."

 **INDUSTRY ALERT** **The Mobile Buy It Now Promotion is just around the corner.** Registration for the Mobile Buy It Now promotion starts on September 15, 2013. The promotion provides an upfront postage discount to qualifying mailers who use mobile technology on their mailpieces that drive mobile purchases. If you missed the August 2013 Mobile Buy It Now webinar, it is available for viewing at <https://usps.webex.com/usps/lsr.php?AT=pb&SP=EC&rID=16374552&rKey=ec0da672208ab925> or on the USPS.com website at <https://tusps.usps.com/business/mobile-buy-it-now.htm> This webinar provides mailers with important program and participant requirements. For additional information about the USPS 2013 Promotions Calendar and the Mobile Buy It Now Promotion, please visit our RIBBS website at <https://ribbs.usps.gov/index.cfm?page=mobilebarcode> To register, please visit the Business Customer Gateway at <http://gateway.usps.com>.





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National Postal Museum: The William H. Gross Stamp Gallery, opening Sunday, Sept. 22, is the largest stamp gallery in the world and the only one to show stamps and mail in the context of American history and culture. Among the gems


on display: a cover postmarked on the moon in 1971; a watch worn by a sea clerk aboard Titanic; one of two 1868 1-cent Z-grill stamps in existence (with the image of Benjamin Franklin, the nation's first postmaster); a letter addressed to John Hancock postmarked July 4, 1776; stamps depicting kings of Hawaii before it became a state; and the icon of the Smithsonian's stamp collection—the Inverted Jenny—will be shown along with other stamps from America and around the world. As visitors move through seven thematic areas, stunning displays and high-tech interactive displays reveal the stories behind the collections. Custom-made pull-out frames hold more than 20,000 objects, including noteworthy stamps that have never been on public display. A wall of windows overlooking Massachusetts Avenue, depicting 54 colorful U.S. stamps, provides a dramatic nighttime glow and is a preview of what is inside the National Postal Museum.


 [Financial Times](#): By any standard, Japan Post Group is enormous. The mail-to-insurance conglomerate has about 24,000 branches and 430,000 employees. Customer deposits of Y176tn (\$1.77tn) make it bigger than any bank in the world, outside China. But big is not necessarily beautiful. And that is where Taizo Nishimuro comes in. In June the former president of Toshiba and the Tokyo Stock Exchange was given the job of turning this state-owned behemoth – where revenues dropped in every segment last year, and where net profits are expected to fall more than 60 per cent this year – into an attractive investment.

 [Post & Parcel](#): Union leaders gave a warning to potential investors in Royal Mail today, indicating that their campaign against privatisation will not stop even if the company is sold off. The Communication Workers Union and Unite unions spoke at the Trade Unions Congress (TUC) today in Bournemouth, as the trade union movement backed a motion opposing the sale of Royal Mail. With press speculation in the UK suggesting that the process of floating Royal Mail on the London Stock Exchange could begin within days, the TUC session this morning suggested that serious industrial action could soon be on the way at Royal Mail.


 [The Telegraph](#): Unions could force Labour to renationalise Royal Mail Labour could have to renationalise Royal Mail if it wins the next election.


 [Macauhub](#): The Portuguese government expects to net 600 million euros from the sale of 100 percent of postal company CTT to private owners, Portuguese financial Jornal de Negócios said Monday. The 600 million-euro figure was provided by the banks that are advising the Portuguese government in this privatisation.

 [Sky News](#): Some of the City's most prominent fund managers are lining up to back the £3bn privatisation of Royal Mail as ministers target Thursday morning to press the button on the historic sell-off.

 [The Hill](#): A trio of unions is raising questions about health provisions tucked into the newest Senate postal reform legislation. The American Federation of Government Employees, the National Active and Retired Federal Employees Association and the National Treasury Employees Union say that the Senate proposals would give too much leeway to Postal Service executives and be a bad deal for rank-and-file workers. "The health insurance provisions," the unions wrote in a letter dated Friday, "will undermine the successful, longstanding Federal Employees Health Benefits Program (FEHBP) and increase costs for millions of federal employees, retirees and their families." "These proposed changes are especially problematic given that many federal employees have already been driven to the brink by furloughs and wages that have been stagnant for years," the unions added.

September 9, 2013

 [BGR](#): Are you ready for your Instagram feed to be just as clogged with ads as your Facebook page? If not, then too bad: The Wall Street Journal reports that Instagram will soon start supporting ads anyway. Specifically, the Journal says that former Facebook executive and current Instagram COO Emily White has been leading an effort to generate more revenue for Instagram and that we should expect to start seeing ads on the photo-sharing service within the next year. *[EdNote: Ohhhh....You mean like ads that appear in all other media? Looks as if this is the end of the online free lunch. Welcome to the real world. ♪♪ Admail makes the world go 'round, the world go 'round, the world go 'round....♪♪]*

 [Wall Street Journal](#): Insurance exchanges are the health-care experiment du jour. Retirees are the test case. The latest indication: Media-company Time Warner Inc. plans to move its U.S. retirees from company-administered health plans to private exchanges, according to a person familiar with the matter. The company will allocate funds in special accounts that retirees can use to go shop for coverage, the person said.


 [Financial Times](#): The impending privatisation of Royal Mail, the world's oldest postal service, is set to sharpen competition in the UK's rapidly changing, £14bn-a-year post and parcels business.





Workshop submissions are being accepted for the 2014 National Postal Forum. Every year the Industry Engagement and Outreach department in USPS works with the National Postal Forum to create an educational program that truly addresses the needs of the ever changing, ever challenging mailing and direct marketing business community. Industry speakers are always critical to our success. It is essential to recruit the best and brightest industry thinkers/leaders to help us inform the industry and support the community on which we all depend. We invite you, as MTAC leaders and representatives, to help us to set the tone and make the 2014 National Postal Forum a current and comprehensive educational event.


New for 2014, we are looking to add workshops that cover Colleges/Universities and Government/Nonprofit in addition to last year's tracks covering critical topics such as Publishing/Print, Shipping, Business Intelligence, Addressing, etc. Whether the topic is current trends in mail piece design, meeting the day-to-day business demands of the modern mail center, professional development, PCC or MTAC related, or any other topic that is relevant to mailing industry goals, your submission will be greatly appreciated and carefully considered as part of the curriculum.

Speaking at NPF has its benefits! Each speaker chosen for the 2014 National Postal Forum receives a free 2014 registration! What better way to participate in the National Postal Forum than as an honored guest, educator and industry leader? If you or your colleagues have a workshop idea you would like the NPF to consider, visit www.npf.org to complete the Workshop Presentation Form. We encourage you and others in your Association to apply. NPF and USPS personnel will evaluate all submissions and let everyone know by mid-October if they have been selected to present.


 [Military.com](#): The postal Marines with Combat Logistics Regiment 2, Regional Command (Southwest), took the lead in pioneering a new era of deployed postal technology here. Servicemembers at Camp Leatherneck's post office completed their transition to the Pitney Bowes meter and scale system to improve mail service Sept. 1. The change marks the end for the integrated retail terminals, or IRTs, which came into service with the military near the beginning of the 1990s. The standalone IRT workstations helped automate transactions and limited the need to manually input data. However, after decades of service, the systems still used outmoded floppy disks and tended to crash. The new meter and scale allows postal clerks to weigh packages and compute priorities and services for customers without labor intensive charts or the need to manually input each client's package information.

 [Post & Parcel](#): Scandinavian postal operator PostNord has picked up another newspaper distribution contract in Sweden. The parent company of Sweden Post and Post Danmark signed an agreement with Nya Wermlands-Tidningen (NWT) AB last week to distribute the group's 13 newspaper titles. It will carry out the work through its newspaper distribution subsidiary, Tidningstjänst.

 [PRNewswire](#): Neopost USA, a leading creator of scalable business solutions for the postal and related digital communications industry, today announces the launch of its Delivery Preference Manager (DPM), a unique solution that allows companies to continue to manage the sending of physical mail while enabling them to evolve to e-delivery options.

 [Federal Times](#): In terms of federal jobs, postal work is by far the most dangerous: Last year, postal employees constituted a third of all federal civilian employees in the United States who died on the job, according to preliminary numbers from the Bureau of Labor Statistics.

September 8, 2013

 **The Times:** Crunch time for Royal Mail to deliver its float With threats of industrial action over pensions, who will blink first — ministers or unions?




Office of the Inspector General


- **Retail Partnership Programs:** The Postal Service is exploring alternatives to traditional post offices in order to better meet customer needs and decrease operating costs. Specifically the Postal Service has worked with retail partners to provide options that offer customers: service in more locations close to where they live, work; and shop and expanded hours to better meet the customers' needs. Two of the alternatives are approved shippers and contract postal units (CPU).
- **Vehicle Parts Inventory Management-Capping:** The Office of Inspector General (OIG) is initiating an audit to review the Postal Service's vehicle parts inventory management national capping. The purpose of this audit is to determine if vehicle parts are purchased and maintained appropriately and if management controls are adequate to safeguard vehicle parts inventory at selected VMFs.

September 7, 2013



PostCom Members! The latest PostCom Summary Of Postal Issues For Company Executives has been posted on this site. Feel free to share this information with others within your company.


 **Wall Street Journal:** International Business Machines Corp. IBM plans to move about 110,000 retirees off its company-sponsored health plan and instead give them a payment to buy coverage on a health-insurance exchange, in a sign that even big, well-capitalized employers aren't likely to keep providing the once-common benefits as medical costs continue to rise.


 **Decision Analysis Partners:** The Concept of Postal Platform and its Applications. The concept of platform was developed a few years ago to describe new economic models such as iTunes, ebay and others who bring the services of other private companies into their infrastructure as a revenue multiplier. This webinar will present the concept and its applications to the postal world. Presenters: Bernard Markowicz, Ph.D., managing director of decision/analysis partners. Bernard's work focuses on network industries and how networks can be leveraged to increase revenues and optimize operations.



From the Federal Register:

Postal Regulatory Commission	
NOTICES	
Domestic Mail Contracts ,	
55124–55125 [2013–21795]	[TEXT] [PDF]
New Postal Products ,	
55125–55126 [2013–21794]	[TEXT] [PDF]

 **Pakistan Observer:** The Senate Standing Committee on Postal Services on Friday called on Pakistan Post to improve its service standards, by making it more dynamic, efficient and profitable organization. The committee, which met with Senator Daud Khan Achakzai, Advocate in the chair, said that Pakistan Post "should try to improve the standards of postal services to restore the trust of the customers.

 **Daily Times:** Senate Standing Committee on Communication and Postal Services on Friday directed the postal services officials to expand the electronic money transfer facility to every nook and corner of the country so that more people may benefit from this facility.

September 6, 2013




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

- Mailers to USPS: Exigency Will Hurt Volume Growth
- Flats Strategy Plan Progresses
- January 2014 and IMb – It's Not Just About the Requirement
- USPS Adds RIBBS Feature to Show Updated Files
- IMb Data Fix to Resolve Recent Issues
- "Free" ACS for IMb Full-Service... Not Always Free
- Industry Concerned About 2014 Impact on USPS Data Systems
- USPS Beefing Up System Performance... Mailers Still Seeing Issues
- Mailers Concerned About How USPS Will Use By/For Data
- IMb Full-Service Verification and Thresholds
- IMpb Compliance Thresholds Still in Discussion
- USPS Exploring Intelligent Mail Barcode Accounting for QBRM
- ACS Chargebacks in SingleSource ACS fulfillment
- ACS Updates
- USPS Moving to Electronic Product Fulfillment for all Products
- ACS Frequently Asked Questions Tool
- City/State Product Change to Identify POB Only Records
- USPS Shares Potential First-Class Mail Pricing Initiatives for January 2014
- USPS Shares Proposed January 2014 Shipping Services Initiatives
- USPS Says Promotion Participation Helps Grow Volume for Standard Mailers
- 2014 Software Release Schedule
- USPS Reviews Potential 2014 Promotions Calendar
- USPS Plans Limited September Test of Standard Mail Service Standard Change
- USPS Focusing Diagnostics on End-to-End Mail Service Performance
- IMb Planning Tool Usage Tracking to Come
- IMb vs IBM
- USPS Continues Bundle Scanning Pilot Testing
- Surface Visibility Expansion
- USPS Says No MTE Issues Expected for Fall
- USPS Not Requiring Delivery Mode Changes
- MOP Helps Clean Up Mail Prep & Entry Rules
- FSS Modifications Continue
- Mailers Ask USPS to Re-Visit Labeling List Transition Time
- USPS Kicks Off Priority Mail Redesign
- More Mail Preparation and Entry TidBits
- More on Payment & Acceptance Initiatives


Now how in blazes can you look at the kind of report PostCom provides its members and still remain a non-member? Get with it, and get in the know. [Join PostCom.](#)





Did you miss yesterday's PostCom webinar on the status of postal legislative reform? Well, [you still can listen to the recording of that event](#) and follow with [the slides](#) used in that webinar.


 **The Hill:** The troubled U.S. Postal Service on Thursday postponed a decision on whether to seek price increases. The service is widely expected to ask the Postal Regulatory Commission this fall to allow it to raise stamp prices to deal with its massive financial problems. The head of MPA, the Association of Magazine Media said she was encouraged by the delay. "This action affords us additional time to work with them and detail the devastating impact a rate increase would have on the mailing industry and the 8.4 million jobs that depend on it. It also gives us, the


Postal Service, and the entire mailing industry additional time to continue working in concert to convince Congress that the solution to the Postal Service's problems lies not in rate increases, but in meaningful postal reform legislation," MPA President Mary Berner said.


 [Charleston Post and Courier](#): With the U.S. Postal Service on the verge of bankruptcy, the agency's Board of Governors was scheduled to begin discussions on an emergency postal rate increase this week. While a rate hike would raise revenue in the short term, it also would have the likely effect of chasing away customers — something that the USPS can ill afford. There has to be a better way, and Congress should follow through on reform measures. Separate bills in the House and Senate would temporarily relieve the Postal Service of a legal requirement to set aside \$5.5 billion a year to provide for future pension and health insurance obligations established through collective bargaining with the postal unions. Congress should get behind cost-cutting measures that will help solve the postal service's financial crisis without an emergency rate increase or a federal bailout.


 [National Journal](#): The U.S. Postal Service on Thursday postponed until late September its decision on whether to request a postal-rate increase—which some outside groups have said they fear could reach as high as 10 percent. A statement released by the Postal Service's board of governors confirmed that the panel met Thursday and, as part of its agenda in a closed-door meeting, "considered pricing issues, including the possibility of filing for price adjustments." The governors, the statement said, "continue to listen to stakeholders and have postponed final pricing decisions until the next scheduled Board of Governors meeting" scheduled for Sept. 24 and 25. The board is weighing the move as the Postal Service continues to bleed money—as much as \$19 billion since early 2012. The increased costs would hit everyone, including individuals who put a stamp on a piece of mail. Coalitions and groups that represent big mailers—like magazines, newspapers, and direct-marketing groups—have been lobbying aggressively against any big hike.

 [Courthouse News Service](#): The Postal Workers Union must allow candidates for union positions to send members campaign emails, despite an ideological preference for U.S. mail, a federal judge ruled. Mark Dimondstein, Tony McKinnon and Violetta Ward are running for the offices of president, industrial relations directors and secretary-treasurer of the American Postal Workers Union, respectively, in an election this fall. As part of their campaign efforts, the candidates want to email their campaign literature to union members. Traditional postal mailings could each cost the candidates more than \$100,000. The union maintains a database with contact information about its members, which includes 27,000 email addresses for its total of 193,000 members. When the candidates requested the email addresses of members, however, the union's election committee refused, stating "it is not the policy of the APWU to provide the email address of members." The candidates then sued, and U.S. District Judge Colleen Kollar-Kotelly granted them a preliminary injunction Thursday, finding no evidence that the request would pose a financial or administrative burden to the union, or that it would discriminate against any other candidates. *[EdNote: Do these people appreciate the irony?]*

 [Cato At Liberty](#): The U.S. Postal Service is structured to subsist on the revenues it generates from the sale of its products and services. In recent years, however, USPS expenses have exceeded revenues and the government agency now finds itself effectively broke having maxed out its \$15 billion line of credit with the U.S. Treasury. Postal employee unions blame a 2006 law that forces the USPS to prefund retiree health benefits (a benefit that a small and declining number of private sector workers enjoy) for the government agency's financial woes. But as a recent Congressional Research Service paper notes, the USPS would be in trouble even without the required payments

 [Washington Examiner](#): Bad publicity caused by employees misusing agency travel cards is the last thing the U.S. Postal Service wants, according to the agency's inspector general. But the USPS officials responsible for preventing such misuse are missing thousands of dollars employees get with the cards for their personal use. Although the travel card coordinators in the Southern Area of the Postal Service — which spans the entire Gulf Coast and other states in the south — often did their job, the IG found 211 instances that totaled more than \$53,000 of inappropriate cash withdrawals between April 2012 and March of this year.

 [The Sun Daily](#): Pos Malaysia Bhd looks to grow its revenue by 20% this year to mitigate rising cost of delivering letters and packages without increasing postal charges, following Tuesday's fuel price increase.

 **The Globe and Mail:** On Monday, Canada Post will launch a nationwide advertising campaign – its first in more than five years, aside from a short-term holiday campaign in 2011 – designed to promote itself as a shipping vehicle for Canadians who are shopping on the Web. The post office has bought advertising space on television and online until the end of the year. Ads in the first phase of the campaign will feature a self-propelled red cart ferrying parcels to shoppers. Beginning mid-October, holiday ads also featuring the red cart will begin to appear. The shift in focus has never been more urgent. Canada Post is looking at a round of aggressive cost-cutting to compensate for a business in permanent decline. Just last week, the Crown corporation warned it could run out of money by this time next year, unless it can find relief through "additional financing" from the federal government or from payments on its pension deficit.



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


- The Postal Regulatory Commission has directed the Postal Service to equalize the rates for letter- and flat-shaped DVD mail by reducing the price for a two-ounce First-Class flat-shaped round-trip DVD mailer to the price for a one-ounce First-Class letter-shaped round-trip DVD mailer. This will be effective September 30, 2013.
- USPS is currently accepting nominations for the 2014 and 2015 MTAC Leadership positions. There are a total of eight available positions.
- A data brokers offers a peek behind the curtain. App enables 1-touch purchase from catalogs, circulars. Postal workers union election grows heated. USPS augments computer network to handle ever-expanding services. Federal Business Opportunities. Berner: addressing mailbox obsolescence. Big early-out offer may be coming at USPS. Prominent Congressmen visiting FedEx world hub next week. Sorry for your loss: Hallmark struggles to update its card empire. Cap authority has grown for USPS.
- Updates from the Federal Register.
- Updates from the Domestic Mail Manual.
- An update from the USPS Office of Inspector General.
- 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](#)

September 5, 2013

 **Prensa Latina:** Cuba will assume the presidency of the Postal Union of the Americas, Spain and Portugal (UPAE) for the next four years at its 22nd Congress, to be held in Havana from 9 to 13 this month. The UPAE is part of the Universal Postal Union, which brings together 192 countries, with which Cuba has ties of one form or another. Both groups contribute to the modernization projects of the Cuban postal system.

 **Federal Bureau of Investigations:** On August 30, 2013 a federal grand jury in the District of Puerto Rico returned 12 separate indictments charging 10 current and former U.S. Postal Service (USPS) employees and two doctors, Luis E. Faura-Clavell and Alfonso A. Madrid-Guzmán, with fraud associated with Department of Labor (DOL) Office of Workers' Compensation Programs (OWCP), announced U.S. Attorney Rosa Emilia Rodríguez-Vélez of the District of Puerto Rico. This program provides wage loss and medical benefits to employees who have become injured in the course of their official capacity within the USPS and are unable to work due to disability.



At the Postal Regulatory Commission: [Complaint Of American Postal Workers Union, AFL-CIO](#)

[Regarding Violations Of 39 U.S.C. 3661 and 3691](#)

"The APWU respectfully requests that the Commission: (A) Hold that the Postal Service has violated its Service Standard Regulations as described in the Complaint above; (B) Hold that the Postal Service has violated Section 403(c) of the Act by making undue and unreasonable discrimination among users of the mails, specifically individuals, small businesses, and organizations, including the APWU and its locals; (C).. Hold that the Postal Service has violated Section 3661(a) and (b) of the Act by changing to a generally less adequate and effective nationwide system without seeking an advisory opinion from the Postal Regulatory Commission; (D) Order the Postal Service to take necessary steps to come promptly into compliance with its Service Standard regulations; (E) Order the Postal Service to cease and desist from making changes in its mail processing network that will cause it to violate service standards; and (F) Order the Postal Service to provide the APWU and its locals an appropriate remedy for any adverse impact on them due to the delay of their mail."



The Postal Service Governors met today at a regularly scheduled Board meeting. As part of the agenda, the Governors considered pricing issues, including the possibility of filing for price adjustments. **The Governors continue to listen to stakeholders and have postponed final pricing decisions until the next scheduled Board of Governors meeting, Sept. 24 – 25, 2013.**



Post & Parcel: The Universal Postal Union has called on postal operators in the Asian-Pacific region to "live up to customer expectations". The UN-affiliated agency representing the postal administrations of 198 countries said Posts need to "move with the times" and improve the quality of their service levels. The comments came as UPU director general Bishar A Hussein addressed a gathering of more than 40 nations in New Delhi, India, at the quadrennial congress of the Asian Pacific Postal Union, a restricted union within the UPU.

Las Vegas Review Journal: As reported by The Hill, the USPS Board of Governors is expected to address a range of issues at a private meeting today, the biggest of those being pricing. The Postal Service lost a whopping \$15.9 billion in fiscal year 2012, and although it has cut those losses heading into the last quarter of this fiscal year, the country's mail carrier is still a major money pit. Private-sector groups — including some of the Postal Service's largest customers, such as magazines, catalog marketers and banks — fear the board will pursue a broad rate increase on the order of 10 percent or more. Worse, the board could do so by declaring a fiscal emergency. Congress gave the Postal Service the ability to impose exigent increases in response to such events as terrorist attacks and natural disasters. Not being able to meet your pension obligations doesn't rise to that level. Nor does a recession or a steady, predictable downturn in mail volume, for which the USPS sought and was denied an exigent increase in 2010. If the Board of Governors seeks the increase, the Postal Regulatory Commission would have 90 days to consider it. Former Nevada Rep. Jim Bilbray is vice chairman of the board and certainly holds some sway in today's decision. Mr. Bilbray and his peers should forget about rate increases and focus on restructuring the Postal Service, with an eye toward eventual privatization, no matter how much senior lawmakers squeal in response to such cost-saving measures. If the board doesn't deliver, it's just a matter of time before the Postal Service can't, either.

Washington Post: The Postal Board of Governors is scheduled to meet behind closed doors Thursday to consider a path to solvency for the money-losing U.S. Postal Service that includes a potential price increase that's alarming mailers of newspapers and magazines, advertising and other bulk correspondence. But the mailing industry has mounted a public relations offensive against what it predicts could be a steep rate increase request, arguing to the board and in the media that raising prices is premature and would hurt their business and ultimately, the Postal Service. From the Postal Service's point of view, turning to business mailers is the kind of reform that could help recoup multibillion-dollar losses in recent years as first-class mail volume plummets and the agency must prepay billions of dollars in health costs for future retirees. Congress has so far failed to enact legislation to help stem the losses.

Deutsche Post DHL

[Deutsche Post DHL](#): In an age of flying robots and smartphone apps that check your pulse, it's hard to imagine that some people argue innovation is grinding to a halt. Yet a debate rages about the well-being of the world's innovation labs. A recent article in The Economist even asked the question: "Is innovation dead?" Bill Meahl, Chief Commercial Officer, DHL, has no such concerns. Innovation, he says, is not just alive - it's kicking, too. New trends emerge almost every day and at times it can be a struggle to keep up. It's also important to realize that not all innovation needs to be as major as the invention of the World Wide Web. "Sometimes it can be something simple, yet have a tremendous global impact," he argues. "The humble shipping container, invented 75 years ago, had an immediate impact on transportation of goods everywhere and is still in use at the forefront of logistics." Indeed, innovation optimists see the idea pool getting larger and more diverse, with trends such as social networking and a shift of economic activity toward developing countries leading to a boom in the marketplace of ideas. Steven Johnson, author of Where Good Ideas Come From: The Natural History of Innovation, puts it this way: "An idea is a network. Chance favors the connected mind."



[Monitoring of Government Travel Card Transactions in the Northeast Area : Full Report | Highlights](#)

"The Northeast Area travel card coordinators were effectively monitoring government travel card transactions. We noted only minor instances of potential improper uses of the travel card. The Northeast Area recently distributed Citibank Monthly Reconciliation Standard Operating Procedures to all travel card coordinators which outline their duties and responsibilities. Additionally, the Postal Service provided Citibank® Custom Reporting System training to all travel card coordinators. This training includes new reporting tools to aid the travel card coordinators in monitoring cash advance and purchase transactions."



[Postal Technology International](#): Spain's postal service has renewed its fleet with the purchase of 1,000 new motorcycles to replace units that have reached the end of their life cycle. Correos has invested €1.4m (£1.2m) in the new motorcycles as part of a wider venture to renew its fleet and enhance the delivery service of items made with vehicles.



From the Federal Register:

Postal Regulatory Commission	
NOTICES	
International Mail Contracts ,	
54687–54688 [2013–21609]	[TEXT] [PDF]
54687 [2013–21620]	[TEXT] [PDF]
Negotiated Service Agreements ,	
54689 [2013–21507]	[TEXT] [PDF]
54688–54689 [2013–21607]	[TEXT] [PDF]



54689–54690 [2013–21608]	[TEXT] [PDF]
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[Memphis Daily News](#): Two U.S. congressmen are visiting Memphis next week as part of what they're calling a "Simpler Taxes for America" road tour across the country - an effort to advocate for comprehensive tax reform. U.S. Rep. Dave Camp – R-Mich. and chairman of the House Ways and Means Committee – and U.S. Sen. Max Baucus – D-Mont. and chairman of the Senate Finance Committee – will visit the FedEx Express World Hub Sept. 9. They'll talk with company leaders and customers about how the tax code affects their respective businesses.



[RTT News](#): United Parcel Service, Inc. (UPS: Quote) said Wednesday that it will purchase assets and operations of two Costa Rican based companies: small package delivery company Union Pak de Costa Rica,

S.A.; and brokerage company SEISA Brokerage. Both companies have long-standing relationships with UPS as Authorized Service Contractors. The additions will allow UPS to better connect Costa Rica's expanding economy to regional and world markets through the UPS network.



[Atlanta Business Chronicle](#): As the Obama Administration spent Labor Day weekend trying to convince Congress to back war with Syria, Atlanta-based The UPS Foundation brought aid to Syrian refugees in Iraq.

[Daily Political](#): United Parcel Service Director Michael Eskew sold 6,182 shares of the stock in a transaction dated Tuesday, September 3rd. The shares were sold at an average price of \$86.25, for a total value of \$533,197.50. The sale was disclosed in a legal filing with the SEC, which can be accessed through this link. UPS has been the subject of a number of recent research reports. Analysts at Deutsche Bank reiterated a "buy" rating on shares of United Parcel Service (NYSE:UPS) in a research note to investors on Wednesday, August 28th. They now have a \$96.00 price target on the stock.

[Seeking Alpha](#): Over the last 2 years, Shares of United Parcel Service, Inc. (UPS) are up 40%, which sounds like a decent return. However, the Dow Transports have outperformed UPS over the same time frame. Some analysts say that the underperformance might be due to UPS' international exposure. While rival FedEx Corporation (FDX) stock recently broke out and made new yearly highs, UPS stock has not recovered from a failed break out attempt in July. With that said, should investors be buying or selling UPS stock?

[GamePolitics](#): While there has been a lot of back and forth on how to remedy the situation best, the Postal Regulatory Commission issued a directive today announcing that they will equalize the rates for "letter- and flat-shaped DVD mail" by reducing the price for a two-ounce First-Class flat-shaped round-trip DVD mailer to the price of a one-ounce mailer First-Class letter-shaped round-trip DVD mailer beginning on Sept. 30. The decision was the result of another directive issued on June 26 of this year, following the decision by the United States Court of Appeals in the District of Columbia in the case GameFly v. Postal Regulatory Commission in January. In its case the video game rental company claimed that the USPS was giving preferential treatment to Netflix, while mishandling its mailers. Specifically the company said that the USPS hand-sorted Netflix DVDs while letting GameFly's disc mailers be sorted by machine. This, they alleged, often resulted in customers receiving damaged discs.


[Federal Times](#): The U.S. Postal Service is poised to offer early retirement to executives, postmasters, and other managers, according to the National Association of Postal Supervisors (NAPS). In a posting on its website Wednesday, NAPS said the offer will apply to all eligible members of the Postal Career Executive Service and all field employees paid under the agency's Executive and Administrative Schedule (EAS), with the exception of headquarters staff. Notification of eligible employees will begin Sept. 16, the association said, with the application period starting Sept. 20. Civil Service Retirement System participants who take the offer would have to leave by Dec. 21; Federal Employees Retirement System applicants would need to retire by Jan. 31, according to NAPS.

[Southeast Missourian](#): The U.S. Postal Service denies assertions by a local postal union leader that the transfer of mail processing from Cape Girardeau to St. Louis is causing significant delays in mail arrival and delivery mishaps. But a Postal Service spokesman acknowledged Wednesday there are some kinks in the transition that will take some fixing.

[ZDNet](#): Earlier this week, it emerged that the Brazilian government has asked Correios, the national postal service, to look into the possibility of developing of a public webmail platform. The aim of the locally-hosted "anti-snooping" alternative is to protect citizen data following the recent allegations that the US government has been monitoring data on Brazilian citizens, including president Dilma Rousseff.


September 4, 2013


[The Verge](#): In the US, total greeting card industry revenue declined 5.4 percent in the past five years, slightly better than the tailspin in newspaper ad revenue. For Hallmark, the shift away from dead-tree media is a multibillion-dollar conundrum: how can it continue to squeeze profits out of its dwindling paper card sales, while expanding its brand into lucrative digital products?

 **Attention Postal One! Users: PostalOne!® Release 35.2.0:** The release will include several infrastructure changes and be deployed during the scheduled maintenance window of 4:00AM CT to 8:00AM CT on Sunday, September 8, 2013. The infrastructure change which will result in a four-hour outage from 4AM to 8AM CT on Sunday, September 8, 2013. During this outage, PostalOne! will be unavailable including Mail.xml®, FAST® Web Services, and eDOC Services.


 **At the Postal Regulatory Commission:**


Docket No. C2009-1R Complaint of GameFly, Inc *ORDER PRESCRIBING REMEDY* -- "It is ordered: (1) The prices proposed by the Postal Service in Request of the United States Postal Service under Section 3642 to Create Round-Trip Mailer Product, July 26, 2013, shall take effect September 30, 2013 as market dominant rates, and shall result in prices for two-ounce First-Class flat-shaped round-trip DVD mail equal to the prices for one-ounce First-Class letter-shaped round-trip DVD mail. (2) The Mail Classification Schedule language applicable to two-ounce First-Class flat-shaped round-trip DVD mailers shall be revised as provided in the Appendix to Order No. 1763. (3) The Round-Trip Mailer product will continue to be considered for prospective addition to the Mail Classification Schedule as a competitive product in Docket Nos. MC2013-57 and CP2013-75. (4) GameFly's renewed request for clarification discussed in the body of this Order is denied."


 **Washington Times:** Hiking magazine rates would hasten the Postal Service's demise. A substantial hike in postage rates is not the solution. In fact, it is all but certain to aggravate the Postal Service's problems. With technology providing cheaper ways to deliver content, a rate increase many times the rate of inflation would launch the Postal Service right into the vortex of a death spiral. Rather than trying to increase prices, the service needs to cut costs and right-size its infrastructure.


 **Postalnews Blog:** In a win for the principles of union democracy, incumbent officers of the American Postal Workers Union (APWU) must allow challengers running for union leadership positions to use the organization's database of member email addresses to send out campaign literature, a judge ruled late yesterday in the U.S. District Court for the District of Columbia.

Deutsche Post DHL **African Press Organization:** DHL (<http://www.dhl.com>), part of Deutsche Post DHL, the world's leading postal and logistics group, today kicked off its annual Global Volunteer Day (GVD) 2013 celebrations. Over the next 10 days, DHL employees across Asia Pacific, Middle East and Africa, along with their business partners and customers, will volunteer in various community programs across these regions. In 2012, DHL's employee volunteer program globally saw over 62,000 volunteers in about 120 countries participate in more than 1,000 programs which benefitted local communities directly.


 **Post & Parcel:** Nordic postal company PostNord has restructured its logistics operations to bring them under a single new brand, PostNord Logistics. The parent company of Sweden Post and Post Danmark said the move starting this week was part of an "aggressive" transformation programme that aims to position it as the "first choice" for logistics in Scandinavia.


 **Radio Netherlands:** Rural Zimbabwe is characterized by a lack of infrastructure, limited electricity supply and poor road networks. No wonder that communication to these areas has long been limited. Yet, over the past five years, mobile phones have begun providing a means to connect Zimbabwe's rural population with urban dwellers.


 **GCN:** With more than 35,000 facilities operating across the country, understanding the U.S. Postal Service's networks — let alone securing them — is a major challenge.


 **Pension Funds Online:** The UK Government's plan to wipe Royal Mail's pension deficit clean by taking on its £8bn pension deficit could be in jeopardy, following a challenge from the European Commission. Pension Funds


Insider understands that the commission is threatening to block half the bailout if it deems the move to be anti-competitive.


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


 Nationwide industrial action could hit the British post for the first time since 2009.


 According to the quarterly results, which were published for the first time, Japan Post Group closed the first quarter (April to June) with a net profit of 1.24bn euros.


 The Belgian government now wants to solve the issue about limiting the salaries of top-executives of state-owned companies (among others CEP-News 03/12) with a clever political manoeuvre. Vice-prime minister Didier Reynders from the liberal party MR wants to cling to the limit of 290,000 euros. However, concerning Belgacom and the post, he wants to reduce the government's stake in both companies below the 50% mark, so that these two companies would not be subject to this regulation.


 Canada Post group still remains in the red.


 The Romanian post advances faster with the implementation of its restructuring plan than originally announced.


 Berlin based postal service provider PIN Mail (turnover 2011: 41.7m euros; 1,050 employees) was hit by a token strike on Thursday last week. The union ver.di demands a new labour agreement for the around 700 deliverers. Among other things, the union demands an 11.5% increase in starting wages.


 Last week the investment trust Edinburgh Partners announced in a statutory company statement that it holds a 3.24% stake in the post. Prior to this, Majedie Asset Management Limited reported that it holds a 3.04% stake. In the Netherlands, stakes of over 3% in listed companies have to be reported.


 DHL is searching for hobby deliverers again - this time in Stockholm. After DHL already tested how to include individuals into the parcel delivery process in conurbations in the course of the 'Bring Buddies' initiative two years ago (CEP-News 34/10), the company now starts a similar concept in the Swedish capital. The application MyWays connects private addressees and deliverers. After an order was placed at DHL's pilot partner Addnature - an online trader for outdoor equipment - the addressee can determine the time and place of the delivery in Stockholm and to a certain amount the delivery fee.

 The legendary US bus company Greyhound wants to offer a door-to-door parcel service in the future.

 Eesti Post took over a majority stake in an online payment specialist startup company. Last week, the post announced that it acquired a 51% stake in Payment Center AS for an undisclosed sum.

 Royal Mail exceeded the quality targets of important universal services again in the first quarter of the current year (April to June).

 Deutsche Post expands the delivery area of its TV programme and advertisement brochure 'Einkauf Aktuell'. On Monday this week, the Bonn based group announced that the brochures would be delivered in the Kaiserslautern region soon and thus increase their reach to some 420,000 households. With this, the brochures could reach up to 19.55m households per week.


 Singapore Post's new parcel terminals are apparently quite popular with Singaporeans.

 In the first six months of this year the Israel Post Company remained in the red on slightly increased revenues.




The [MRU](#), founded in 1992, is the only consultancy in Europe, which has specialised in the market of courier-, express- and parcel services. For large-scale shippers and CEP-services in particular, the MRU provides interdisciplinary advice for all major questions of the market, as there are for example market entry, product design,


organisation, and EDP. [To learn more about the stories reported above, contact CEP News.](#) (We appreciate the courtesy extended by CEP News to help whet your appetite for more of what CEP offers.)


 **Federal News Radio:** The Postal Service offers mobile apps to do everything from looking up a ZIP code to scheduling a next-day pick up to tracking the status of your package. One way USPS is trying to stay ahead of the public's expectation curve is by upgrading the bandwidth and security of its computer network. The Postal Service recently awarded AT&T two contracts worth more than \$53 million to improve and better secure its back-end infrastructure. Under the first deal, AT&T will upgrade USPS' data network connectivity across the country. The contract is worth more than \$50 million over the life of the contract. The second contract is for cybersecurity services, known as Managed Trusted Internet Protocol Services (MTIPS). AT&T will implement MTIPS at the Postal Service's two major data centers in California and Minnesota. The deal is worth about \$3.5 million.

 **From the Federal Register:** **Postal Regulatory Commission NOTICES** Meetings; Sunshine Act , 54502 [2013-21506] [[TEXT](#)] [[PDF](#)]


September 3, 2013

 **Government Executive:** The U.S. Postal Service's internal auditor is seeking private sector input on the best way to administer paid time off and retirement benefits, according to multiple online solicitations. The USPS' inspector general posted the requests on the FedBizOpps, asking for a supplier with "subject matter expertise" to develop a report that compares the Postal Service's leave and paid holiday program and retirement benefits to those offered by "major private-sector companies." The reports will "reveal the ways in which the Postal Service could benefit from adopting the identified best practices" for its retirement and leave benefits programs, the inspector general said in the solicitations.


 **4-Traders:** China has announced it will donate 100,000 USD towards the UPU's development activities in the Asia-Pacific region. The news came as UPU Director General Bishar A. Hussein recently met Yang Chuantang, Chinese minister for transport, and Ma Junsheng, China State Post Bureau's director general in Beijing, the Chinese capital. Ma praised the UPU's work in the face of the challenges confronting the postal sector. "In this fast-changing environment, the UPU has been making great efforts to accompany the postal sector in its transformation," said Ma. "As a member of the UPU family, China would like to play a more important role in the UPU's activities, as well as support its work."


 **Federal Business Opportunities:**


- **[Solicitation Number: 8-30-2013](#):** This is a sources sought notice and request for information (RFI). This is not a formal solicitation. Any formal solicitation will be announced separately at a later time. The information provided to the U.S. Postal Service as a result of this posting is strictly voluntary and given with no expectation of compensation, and is at no cost to the U.S. Postal Service. Contact with U.S. Postal Service personnel, other than the Contracting Officer, by potential offerors or their employees regarding this requirement is strictly prohibited.
- **[Solicitation Number: 6HQOIG-13-A-0019](#):** The purpose of solicitation is to compare the U.S. Postal Service's ("Postal Service") retirement benefits program to retirement benefits programs offered by major private sector companies. The Supplier shall produce a report with findings and recommendations that will reveal ways in which the Postal Service could benefit from adopting the identified best practices for its retirement benefits program.


 **Kentucky.com:** It is often said that small businesses fuel the country's economic engine, and statistics certainly back up this assertion. The U.S. Postal Service recognizes the importance of this sector to our overall economy and its continued recovery, as illustrated by its 2012 marketing campaign targeting small businesses to support the USPS's growth and financial stabilization. That's why it's puzzling that USPS would propose to raise postal rates beyond inflation and risk devastating millions of the very "mom and pop" companies it just targeted for more business. But that is exactly what the USPS could decide to do. As early as Thursday, the USPS Board of Governors


could use "exigent" (legalese for "emergency") authority provided by Congress to impose price hikes far in excess of inflation.


 **Post & Parcel:** Opposition MPs in Parliament warned last night that the UK government has indicated no plan B for the universal postal service if "everything goes wrong" with Royal Mail's privatisation. Pointing to the failures of nationalisation in Britain's railway system, and in particular where the East Coast franchise was handed back into state ownership, Labour's shadow minister for postal affairs Ian Murray suggested that a privatised Royal Mail would look to sell the most expensive parts of its business, including rural operations. "Neither the Minister nor the Royal Mail can tell us what will happen if everything goes wrong," said the MP for Edinburgh South.


 **Day & Night News:** In the backdrop of rapid changes taking place in the means of communications, President Pranab Mukherjee today said global postal administrations should proactively think of changes to compete with other market players in providing various high quality services. "The changing global scenario calls for postal administrations around the world to think differently. They must be proactive to change. They must leverage their strengths to provide quality service to the people," Mukherjee said while inaugurating the 11th Asian Pacific Postal Union (APPU) Congress here. He said with rapid changes in technology, other means of communication such as e-mail have become increasingly important and people expect the same standards of quality, accountability and transparency that are being provided by other market players from the postal services.


 **Save the Post Office:** It being Labor Day — a holiday created by the labor movement to honor the social and economic accomplishments of American workers — this may be a good time to recognize the achievements of the United States Postal Service. In the span of just seven years, postal executives have managed to eliminate two hundred thousand good-paying, middle-class jobs — and they're not done yet. They plan to cut a hundred thousand more. The new five-year plan is essentially the same as the plan released back in February 2012. It shows how the Postal Service hopes to "return to profitability" by massive cost cutting to deal, so it is claimed, with continuing declines in mail volumes.

 **SNP:** Speaking in a House of Commons debate today on the future of postal services in rural areas, SNP Westminster spokesperson for postal services Mike Weir MP accused the UK government of "burying heads in the sand" over the decline of Royal Mail.

 **Pensions Age:** Postal workers are to vote on whether to initiate strike action over protecting members pension entitlements, and other work and pay conditions. The Communication Workers Union has today announced it is planning to send ballot papers to 125,000 Royal Mail workers on September 20, in the first national strike ballot since 2009. The union argued Royal Mail wants to use pension assets remaining after the government took control of the assets in 2012 to reduce its contributions to the scheme. The union wants an agreed process to protect benefits.

 **Southeast Missourian:** The U.S. Postal Service's earlier first-class mail pickup time went unnoticed for some, but those who say they were charged late fees on bill payments and had utilities shut off because of a late notice may have a different opinion. Greg Davidson, president of American Postal Workers Local Union 4088, works the night shift manually sorting flats, or large envelopes, catalogues and newspapers, at the Richard G. Wilson Processing and Distribution Facility in Cape Girardeau. Davidson said he has witnessed customers receive newspapers two days after their publication date, and residents of Gideon, Mo. get water shut-off notices two days after their water was shut off. He said the delay in the mailing system stems from the mail processing center in St. Louis being overwhelmed by the volume of mail.


 **E-Commerce Times:** FedEx and UPS, be warned -- you may one day feel the pain the U.S. Postal Service has suffered over the demise of the stamped envelope. In the not-too-distant future, consumers may increasingly be purchasing digital product designs instead of products, which they will then use to manufacture goods in their own little home factory on their personal 3D printer. - See more at: <http://www.ecommercetimes.com/story/3D-Printing-Sparking-an-E-Commerce-Revolution-78854.html#sthash.X81Qxj9Z.dpuf>


 **BBC**: Royal Mail workers are to vote on whether to strike over pay and other issues linked to privatisation plans. The Communication Workers Union (CWU) said that a vote over future pay, and other aspects of the proposed sell-off, could lead to a strike by 10 October. See also the [Financial Times](#).


September 2, 2013




The Postal Service has appointed former PostCom chairman Jim O'Brien as its new Manager of Customer Relationship Management. Congratulations, Jim!!


 **Cellular-news**: Switzerland's postal service, Swiss Post has started a one-year trial of paying for mobile franking of letters by SMS.


 **Spamfighter**: According to security experts, cyber crooks are once again impersonating United States Postal Service (USPS) so they may install malware onto unwitting end-users' computers, published hyphenet.com in news on August 20, 2013. Displaying a subject line "Postal label contains detailed information," the USPS related bulk e-mail campaign, following the standard way, informs the recipient about a problem that occurred in handing over a package so he should take down a given attachment containing a file (here named Label_Parcel_ID2564US.zip), which apparently provides the shipping code, necessary for correcting the issue. Now, if this attached file is pulled down and viewed, it will simply infect the user's PC with malware, which can't be traced, while security company Kaspersky recognizes it as Trojan-Dropper.Win32.Dapato.bcbf.

 **Macauhub**: Mozambican state mail company Correios de Moçambique plans to set up a Postal Bank, as part of a decision made Friday in Pemba, the capital of Cabo Delgado province, by the Transport and Communications Ministry.

 **The Times**: A national strike of postal workers aimed at derailing the privatisation of Royal Mail will become more likely today when the Communication Workers Union reveals plans to ballot 115,000 staff. A ballot for industrial action, which could lead to the first nationwide Royal Mail strike since 2009, has been prompted by festering relations between unions and management over terms and conditions as executives push through modernisation plans.

September 1, 2013

 **New York Times**: Acxiom, one of the most secretive and prolific collectors of consumer information, is embarking on a novel public relations strategy: openness. On Wednesday, it plans to unveil a free Web site where United States consumers can view some of the information the company has collected about them. With about \$1.1 billion in revenue in its 2013 fiscal year, Acxiom is a leading player in an industry called data brokerage. The company collects, stores, analyzes and sells consumer data with the aim of helping its clients — including well-known banks, credit card issuers, insurance companies, department stores and carmakers — tailor marketing to their most valuable current customers or identify new customers.

 **Casper Star-Tribune**: some lawmakers want to use the very financial crisis they helped bring to the USPS as a pretext for dismantling an institution relied on by millions of Americans and by small business owners. Instead of addressing pre-funding -- which they instituted and could fix, thereby actually addressing the source of the financial drain -- they want the public to take the hit. They advocate ending home mail delivery, which would force residents in Wyoming to traipse around the neighborhood to "cluster boxes" in all kinds of weather and safety conditions. And they seek to eliminate Saturday delivery, which would raise costs for small businesses that are open on weekends and would have to contract with expensive private carriers. Folks in Wyoming and around the country deserve to maintain the service they've long relied on -- a letter carrier depositing their mail in their mailbox, six days a week. The impact of severe cuts goes even beyond this. The postal service, operating six days a week, is the centerpiece of a \$1.3 trillion national mailing industry that employs 7.5 million Americans in the private sector -- including Wyoming. Besides hurting residents, small businesses and jobs, degrading service is counterproductive for the Postal Service itself. It would ultimately destroy the USPS by driving customers (and revenue) away.