



## **Association for Postal Commerce**



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### **Postal News from October 2010:**


**October 31, 2010**

  [Yahoo! News](#) has reported that "Air freight carrier DHL has tightened checks at its German hub on goods coming from Yemen at the request of the US authorities, Germany's transport ministry said late Saturday."


 [The Express](#) has reported that "church leaders are furious with Royal Mail bosses who ditched Christian images on Christmas stamps in favour of children's favourites Wallace and Gromit. The plasticine stars of The Curse Of The Were-Rabbit will appear on seven different stamps but those wanting a religious theme have only one choice, the image of the Madonna and Child that has been on sale for the past three years."


 [The Telegraph](#) has reported that "A female engineering student has been arrested in Yemen on suspicion of posting the packages containing bombs found on two cargo jets in Dubai and Britain. The 22-year-old woman, named locally as Hanan al Samawi, was traced through a phone number left with a cargo company. The bomb intercepted in Britain on its way to America was designed to explode in mid-air and may have been targeted at the UK. US and British security officials believe Anwar al-Awlaki, the American-born figurehead of Al-Qaeda in the Arabian Peninsula (AQAP) was behind the foiled attack in which two ink cartridge bombs, posted in Yemen, were intercepted in Britain and Dubai on the way to America. Al-Awlaki, who is in hiding in Yemen, is regarded by the CIA and MI6 as the driving force behind the transformation of AQAP from a regional group into an international terrorist organisation."


 As the [Associated Press](#) exasperatingly put it, "Oh, that campaign mail...." It's direct mail — the bomb-throwing language always does well," said Chris Maiorana, a Republican strategist who has designed Senate candidates' mail programs. Mail is by no means a new tool in campaigns and the final days always bring a pile of political paper as campaigns compete for the last undecided voters." [EdNote: Take a look at [Hearts and Minds.](#)]


 The [Washington Post](#) has reported that "The U.S. Postal Service is temporarily suspending acceptance of inbound mail from Yemen in response to potential terror threats from the country."


**October 30, 2010**


 [PC World](#) has reported that "Online Americans like their news the old fashioned way--through network television, newspapers and magazines--but more than half of them think old media's time is limited."


 The [Wall Street Journal](#) has reported that "The U.S. economy remains mired in a sluggish recovery, unable to grow fast enough to create the masses of jobs needed to bring down unemployment. Gross domestic product, the broadest measure of the goods and services produced by the economy, rose at an inflation-adjusted annual rate of 2% in the third quarter, up from 1.7% in the second quarter, the government said Friday."


 [Bloomberg](#) has reported that "Explosives found in air-freight shipments from Yemen spotlight a dangerous hole in U.S. screening efforts and may spur the government to change how air cargo is handled, security specialists said. While new U.S. rules implemented in August require screening of all cargo in the bellies of passenger airliners, goods on air freighters aren't subject to those checks. UPS is the world's largest package-delivery company, and Memphis, Tennessee-based FedEx runs the biggest cargo airline. "You cannot possibly inspect every last package that is sent across the globe," said Christopher Boucek, an analyst specializing in al-Qaeda and the Middle East at the Carnegie Endowment for International Peace in Washington. "That is an inherent, massive weakness."

 [The Telegraph](#) has reported that "Royal Mail could be allowed to drop its guarantee to deliver post anywhere in the UK six days a week if it becomes too costly, the Government has admitted."

 **From the Federal Register: Postal Regulatory Commission NOTICES** New Postal Products , 67148–67149 [2010–27467] [\[TEXT\]](#) [\[PDF\]](#) 67147–67148 [2010–27469] [\[TEXT\]](#) [\[PDF\]](#) 67146–67147 [2010–27474] [\[TEXT\]](#) [\[PDF\]](#)

 According to [The Guardian](#), "Parcelforce wants us to pay nearly £50 tax to deliver our Christmas gifts."

 [The Business Times](#) has reported that "Singapore Post saw net profit slide 2.5 per cent year on year to \$39.5 million for its second quarter ended Sept 30, despite revenue rising 5.6 per cent to \$137.6 million as its mail and logistics segments did better."

 **DMM Advisory: IMb™ Services Update. PostalOne!® Software Maintenance:** Due to software maintenance, the PostalOne! system (production, TEM and FAST® OPS web services) will be unavailable during the scheduled 4 a.m. – 8 a.m. (CDT) maintenance window on Sunday, October 31, 2010. **PostalOne! Release 25.0 and FAST Release 15.0** will deploy to production Sunday, November 7, 2010. PostalOne! production (including FAST OPS web services) will be unavailable from 9 p.m. (CDT) Saturday, November 6 through 8 a.m. (CST) Sunday, November 7. PostalOne! Release 25.0 will deploy to PostalOne! Test Environment for Mailers (TEM) on Monday, November 8. TEM (including FAST OPS web services) will be unavailable Monday, November 8, from 4 a.m. (CST) through 2 p.m. (CST). [PostalOne! Release 25.0](#) notes and [FAST Release 15.0](#) pre-release notes are posted on [RIBBS](#).

*October 29, 2010*

 **At the Postal Regulatory Commission:**

CP2011-3 Order No. 573 - Order Approving Priority Mail Contract 28 Negotiated Service Agreement

Link: [http://www.prc.gov/docs/70/70689/Order\\_No\\_573.pdf](http://www.prc.gov/docs/70/70689/Order_No_573.pdf)  
[http://www.prc.gov/docs/70/70689/Order\\_No\\_573.docx](http://www.prc.gov/docs/70/70689/Order_No_573.docx)

MC2011-2 Order No. 573 - Order Approving Priority Mail Contract 28 Negotiated Service Agreement

Link: [http://www.prc.gov/docs/70/70689/Order\\_No\\_573.pdf](http://www.prc.gov/docs/70/70689/Order_No_573.pdf)  
[http://www.prc.gov/docs/70/70689/Order\\_No\\_573.docx](http://www.prc.gov/docs/70/70689/Order_No_573.docx)

MC2011-3 Order No. 574 - Order Approving Priority Mail Contract 29 Negotiated Service Agreement

Link: [http://www.prc.gov/docs/70/70690/Order\\_No\\_574.doc](http://www.prc.gov/docs/70/70690/Order_No_574.doc)  
[http://www.prc.gov/docs/70/70690/Order\\_No\\_574.pdf](http://www.prc.gov/docs/70/70690/Order_No_574.pdf)

CP2011-20 Order No. 572 - Order Approving Six Additional Global Expedited Package Services 3 Negotiated Service Agreements

Link: [http://www.prc.gov/docs/70/70686/Order\\_No\\_572.doc](http://www.prc.gov/docs/70/70686/Order_No_572.doc)  
[http://www.prc.gov/docs/70/70686/Order\\_No\\_572.pdf](http://www.prc.gov/docs/70/70686/Order_No_572.pdf)

CP2011-21 Order No. 572 - Order Approving Six Additional Global Expedited Package Services 3 Negotiated Service Agreements

Link: [http://www.prc.gov/docs/70/70686/Order\\_No\\_572.doc](http://www.prc.gov/docs/70/70686/Order_No_572.doc)  
[http://www.prc.gov/docs/70/70686/Order\\_No\\_572.pdf](http://www.prc.gov/docs/70/70686/Order_No_572.pdf)

CP2011-22 Order No. 572 - Order Approving Six Additional Global Expedited Package Services 3 Negotiated Service Agreements

Link: [http://www.prc.gov/docs/70/70686/Order\\_No\\_572.doc](http://www.prc.gov/docs/70/70686/Order_No_572.doc)  
[http://www.prc.gov/docs/70/70686/Order\\_No\\_572.pdf](http://www.prc.gov/docs/70/70686/Order_No_572.pdf)

CP2011-23 Order No. 572 - Order Approving Six Additional Global Expedited Package Services 3 Negotiated Service Agreements


Link: [http://www.prc.gov/docs/70/70686/Order\\_No\\_572.doc](http://www.prc.gov/docs/70/70686/Order_No_572.doc)  
[http://www.prc.gov/docs/70/70686/Order\\_No\\_572.pdf](http://www.prc.gov/docs/70/70686/Order_No_572.pdf)


CP2011-24 Order No. 572 - Order Approving Six Additional Global Expedited Package Services 3 Negotiated Service Agreements

Link: [http://www.prc.gov/docs/70/70686/Order\\_No\\_572.doc](http://www.prc.gov/docs/70/70686/Order_No_572.doc)  
[http://www.prc.gov/docs/70/70686/Order\\_No\\_572.pdf](http://www.prc.gov/docs/70/70686/Order_No_572.pdf)

CP2011-25 Order No. 572 - Order Approving Six Additional Global Expedited Package Services 3 Negotiated Service Agreements

Link: [http://www.prc.gov/docs/70/70686/Order\\_No\\_572.doc](http://www.prc.gov/docs/70/70686/Order_No_572.doc)  
[http://www.prc.gov/docs/70/70686/Order\\_No\\_572.pdf](http://www.prc.gov/docs/70/70686/Order_No_572.pdf)

 **In cooperation with the FBI**, local authorities have confiscated a suspicious package at the FedEx facility in Dubai. The shipment originated in Yemen and as an additional safety measure, FedEx has embargoed all shipments originating from Yemen. The Company is cooperating fully with the authorities on this matter; any additional information regarding this matter must come from the FBI.

 **Dead Tree Edition** has told its readers that "As it announced it would do a week ago, the U.S. Postal Service filed an appeal today of the Postal Regulatory Commission's rejection of proposed "exigent" (emergency) rate increases. USPS filed the appeal this morning in the U.S. District Court of Appeals for the District of Columbia. The filing in "United States Postal Service v. Postal Regulatory Commission" does not reveal any of the Postal Service's arguments in the case. It merely states, "The United States Postal Service hereby petitions this Court for review of Order Number 547 of the Postal Regulatory Commission (PRC), issued on September 30, 2010, which denied the Postal Service's request for exigent rate adjustments. The court set deadlines of Nov. 29 for procedural motions and Dec. 13 for dispositive motions (that is, motions for the court to issue a summary judgment or to dismiss the case)"




The **Journal of Commerce** has reported that "U.S. law enforcement officials searched UPS aircraft coming into the United States from Europe on Friday after suspicious packages shipped from Yemen were discovered on their way into the country."




**At the Postal Regulatory Commission:** The [PRC has just issued an information request](#) asking the

USPS to provide additional information in regards to its request for temporary

waivers to periodic reporting of service measurement. The PRC has given the USPS until Nov. 12 to provide a response. Accordingly, [the PRC also has issued an order](#) extending the deadline for comments from others until Nov. 19.

 **DMM Advisory: New MailPro Available.** The September/October *MailPro* [\[HTML\]](#) [\[PDF\]](#) is available now on [usps.com/mailpro](http://usps.com/mailpro). You'll find informative articles on National PCC Day, FSS processing, Holiday 2010 shipping, Intelligent Mail barcodes, and more. Customers can access current and past issues of *MailPro* online or subscribe by sending an e-mail to [mncsc@usps.com](mailto:mncsc@usps.com). Include your name, title, company name, complete delivery address, and daytime phone number.

 **Frederick W. Smith**, chairman, president and chief executive officer of FedEx Corporation, will receive the 2010 George C. Marshall Foundation Award following a luncheon Nov. 16 at American Red Cross headquarters in Washington, D.C. The Marshall Foundation will honor Mr. Smith for his success in building a company that has changed business around the world and for the generous use of FedEx resources to provide humanitarian assistance to countries and regions in need.



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



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

- After nearly 10 years as U.S. Postmaster General and CEO of the U.S. Postal Service, John E. Potter announced that he will retire on Dec. 3, after 32 years of service. The Governors of the Postal Service named Patrick R. Donahoe, currently Deputy Postmaster General and Chief Operating Officer, to succeed Potter.
- The Postal Regulatory Commission (PRC) on October 28, 2010, issued a Chairman's Information Request to the USPS, asking it to provide written response by November 12, 2010, to a series of questions on the USPS' request for temporary waiver from periodic reporting of service performance measurement [see PostCom Bulletin 42-10]. The PRC also filed a notice extending the October 29, 2010, deadline for comments on the USPS' request to November 19, 2010. Reply comments will now be due by November 29, 2010.
- According to intelisent Postal Affairs Blog, "Full Service requirements are both expensive and hard to handle. Managing the sequence numbers on the mailpieces is not all that difficult. However, Full Service also requires unique sequence numbers on the trays, sacks and pallets. Pallet placards must be affixed to the outside of pallet wrapping, which doesn't sound like much, but adds an adhesive expense and handling for the mail service preparer. And - if one of those placards falls off in transit and handling - poof, goodbye discount, downstream. This loss of discount would take place well after the mail has already been accepted."
- Who is the next postmaster general? APWU grows impatient with pace of contract talks. USPS fiveday website updated. Burrus shocked, disappointed by retirement of PMG. Senator Carper's statement on PMG retirement. U.S. set first fuel standards for big trucks. Paper power: why campaign mailers still thrive in the digital age. Do young people prefer print marketing? Vision tools speed development of IMB postal barcode verifier. Postal first services industry to commit to CO2 reductions.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews

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



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"The cash-strapped U.S. Postal Service has fallen behind in generating revenue from new applications of information technology, such as switching to a FedEx-like tracking system, selling USPS data to mailers and charging local governments to issue various citizen identification credentials at post offices, says the agency's independent regulator. One of the biggest challenges in realizing benefits from IT has been how to expand the use of the so-called intelligent mail barcode -- a series of lines printed on commercial letters and packages that computers scan to identify each parcel as it moves through the processing system. The tool also can measure the amount of time it takes to process items. "I think we're all a bit frustrated that the IMB has taken much longer than we thought to be implemented," said commission Chairwoman Ruth Goldway in an interview with [Nextgov](#). "But we still see its potential . . . as a service that will give the Postal Service a vast array of data and control over the mail stream."

[Process and Control Today](#) has noted that "The new Intelligent Mail Barcode (IMB) has all but replaced the old POSTNET and PLANET barcodes used in United States Postal Service (USPS) automation. FASTechnology Group, already the leading developer and supplier of high-speed selective binding and mailing controllers used to address large mailings, anticipated the need for **an inspection system that would validate the quality and conformity of IMBs** to help mailers avoid potential additional charges. FASTech used the Cognex In-Sight® 5613 because it provides powerful tools for IMB verification and automation control connectivity that greatly reduced development time. As a result, **the FASTverify Postal Verification System is the first system that not only verifies the readability and critical metrics of the bar code but also verifies that it is the right barcode.**"

[ZDNet](#) has reported that "It may seem counter intuitive, but Doc was not completely surprised to see that in the results of a new study on direct marketing, for certain types of products and services, young people in the 18-34 year old bracket prefer receiving messages by print. The study, titled "Finding the Right Channel Combination: What Drives Channel Choice?" was conducted by ICOM, a division of Epsilon Targeting, and surveyed over 2500 U.S. and 2200 Canadian households and found that, when asked their preference, consumers prefer direct mail over online media for many types of marketing communications."

According to the [Lafayette Journal and Courier](#), "What began as a civil public meeting to discuss a planned mail processing consolidation quickly turned into a heated debate between residents and postal service officials."

[YLE](#) has reported that "A backlog in postal deliveries continues across the country although postal workers returned to the Pasila mail distribution centre on Thursday night after a day-long work stoppage. It's estimated that distribution delays will continue into the middle of next week, and will affect deliveries across the country, as Pasila is a critical hub in the mail distribution network."


[Legalweek](#) has reported that "Royal Mail has kicked off a review of its employment and property panels which will see five firms appointed to step in when the current panel contract expires next year. The review is being led by general counsel Doug Evans, who joined Royal Mail in 2006 from logistics company Exel, and is part of an effort by the organisation to to cut legal spend and rationalise its adviser roster. Successful firms will sign a framework agreement for a term of three years with the company reserving the option to extend the contract for a further year. The current panel arrangement is due to expire on 31 March next year."


The [Azerbaijan Business Center](#) has reported that:


- [Real financial operations](#) have been started to be carried out in Azerbaijan within a project in 30 postal branches out of 37 ones, connected to system of AZIPS (Azerbaijani large-value payment system). The Ministry of Communications and Information Technologies informed, as a whole, today 123 postal departments and 67 agencies of Azerpocht LLC have been connected to system of AZIPS. On the whole,

240 postal offices and 45 postal branches work with XOHKS (Azerbaijan's low-value settlements and clearing system). Concurrently, work was carried out to provide communication connection with all postal departments of 49 central district postal branches, as well as rural postal departments, having technical possibilities.


- [Only 1/3 of postal offices](#) comply with Azerbaijan Central Bank's requirements for financial institutions.
- [Azerbaijan's postal operator](#) has achieved growth in remittances by 29% and in mailing by 3.7%

 **From the Federal Register: Postal Regulatory Commission RULES** New Postal Products , 66677–66679 [2010–27344] [\[TEXT\]](#) [\[PDF\]](#) **NOTICES** Post Office Closing , 66804–66805 [2010–27350] [\[TEXT\]](#) [\[PDF\]](#)


 The [Hindu Business Line](#) has reported that "The Government is focusing on retraining the entire staff of the Postal Department to service the customers better, said the Union Minister of State for IT & Communication, Mr Sachin Pilot, at a function held to inaugurate 16 modernised Head Post Offices in Karnataka here on Thursday. "We are focusing on retraining the entire staff to make sure they interact with and service customers with a smile," he said. With an objective to modernise the Postal Department, the Government launched an initiative, Project Arrow, to revamp post offices completely. "We realised the need for modernising and upgrading to the times and needs of 2010," said Mr Pilot."


 [Hellmail](#) has reported that "Estonian Post is nearing the final stage of the introduction of automated parcel terminals after it announced this week that invitations for bids has been sent to three suppliers. The new machines are expected to appear in Estonia, followed by Latvia and Lithuania. The deadline for submission is the 2nd of November."


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

 [DutchNews](#) has reported that "Postal workers unions are to send an ultimatum to TNT Post on Thursday threatening a 24 hour strike if the company does not do more to limit compulsory redundancies under delivery workers. TNT has already agreed to make no more than 3,100 people redundant as part of its efforts to cut delivery costs. The aim of the cuts is to reduce spending by €430m between now and 2017."


*October 28, 2010*

 **Press Release:** "The international postal sector is the first services industry worldwide to commit to reduce its carbon dioxide (CO2) emissions, according to the International Post Corporation (IPC). The U.S. Postal Service and 21 other postal operators in North America, Europe and the Asia-Pacific region — all members of IPC — have pledged to measure CO2 emissions and collectively reduce them by 20 percent by 2020, under IPC's Environmental Measurement and Monitoring system (EMMS.)"


 [Trading Markets](#) has reported that "Deutsche Post has announced that it will be introducing price changes for a number of international postal products on January 1, 2011. The number of prices for international postcards and letters weighing up to 1,000g will be reduced from 10 to four, while the prices of letters and postcards being sent to addressees within Germany will remain unchanged, Deutsche Post said."


 [AFP](#) has reported that "the Internet contributed 100 billion pounds (155 billion dollars, 115 billion euros) to the British economy last year, about 7.2 percent of gross domestic product (GDP), a report showed Thursday. The sector is bigger than the construction, transport or utilities industries in Britain, according to the study by the Boston Consulting Group (BCG), which was commissioned by the British arm of Internet giant Google. The research also predicted that by 2015, the British 'Internet economy' is likely to grow to 10 percent of GDP, eclipsing the financial sector."





 The [U.K. Parliament](#) news center has reported that "Secretary of State for Business, Innovation and Skills, Vince Cable, introduced the second reading of the Postal Services Bill in the House of Commons on Wednesday 27 October. The Bill's provisions are divided into four main parts.


- Part 1 provides for the restructuring of Royal Mail, including the introduction of private sector capital and expertise from the sale of up to 90% of Royal Mail, an employee share scheme and provisions for Post Office Ltd to continue to be owned by the Crown or a mutual ownership structure
- Part 2 deals with the Royal Mail's pension deficit by transferring the historic liabilities of the scheme to the Government
- Part 3 makes provisions for the regulatory arrangements for postal services through the transfer of powers from Postcomm to Ofcom
- Part 4 contains provisions for a "special administrative regime" should the universal postal service be at risk from the provider entering insolvency proceedings.


 The [Helsinki Times](#) has reported that "Postal workers staged a walkout at the Helsinki sorting centre late on Wednesday, causing serious disruption in the capital's post deliveries. The chief shop steward at the sorting centre said the employer had attempted to hire scabs. Read more: [Postal workers stage walkout at Helsinki sorting centre.](#)"


 The [Azerbaijan Business Center](#) has reported that "The Swiss State Secretariat for Economic Affairs (SECO) is preparing to launch technical assistance to Azerbaijan's national postal operator Azerpocht in connection with beginning of financial and banking services by the latter. The Baku-based SECO office informs that the Secretariat has already undertaken commitment to award a grant of \$1.7 million for the purpose."


 [Macauhub](#) has reported that "The company Correio Expresso de Moçambique (Corre), a partnership split evenly between the postal services of Portugal and Mozambique, was officially established on Wednesday in Maputo."


 "Royal Mail centres across Britain could be paralysed if managers walk out on strike next month, [Tribune](#) has learned."


 [Air Cargo World](#) has reported that "DHL said 600 companies have responded to its launch of a Germany-centric shopping portal designed for small and medium-sized retailers and consumers aged 50 and over. With a focus on technology, living, fashion, hobbies and lifestyle sectors, the portal is available to full-range and niche suppliers, said the company. DHL will charge the retailer a transaction fee of 4 to 8 percent of the selling price and a one-time registration fee of EUR20 (\$28)."


 [Think mail is dead as a communications medium?](#) Not when you read what WNYC has reported. "the mail keeps coming. For good reason. "Mail moves voters," said political consultant Scott Levenson, who's done work for Hilary Clinton, Andrew Cuomo and David Dinkins. Levenson says no other medium has the power to put the candidate's image and message in voters' hands, even if they walk the flyer straight to the recycle bin. And mail is especially useful in New York City, where a 30-second TV ad can cost millions to produce and air. By contrast, a campaign can use the same money to send repeat communications directly to the homes of moms, or veterans, or small business owners. "It's the best, most effective way to reach a large number of voters and know who you're reaching," said Steven Stites, a consultant for the Grimm campaign." *[EdNote: Of course, once elected to Congress, then all of a sudden many of those "power of mail believers" seem quite content to let the postal system languish and suffer a slow, miserable death.]*


 [Reuters](#) has noted that "The Obama administration on Monday proposed the first ever fuel efficiency and emissions standards for big tractor trailers and other commercial trucks. Firms that would be affected by the changes include YRC Worldwide, UPS Inc, FedEx Corp, Ryder System, Landstar System and J.B. Hunt Transport Services."


 The [Boston Globe](#) has reported that "State Democratic Party officials are denying a claim by Republicans that their fund-raising tactics violated US Postal Service regulations, breaking their silence after the GOP called for an investigation of a spate of major donations by Democratic candidates."


 The [Independent](#) has reported that "An Post will have slashed staff numbers by more than 400 by the end of the year ahead of the opening-up of the postal market to competition in January."


 [YLE](#) has reported that "Major problems are expected with postal deliveries in the Helsinki area on Thursday. About a quarter of the staff of a large sorting centre in Pasila walked off the job around 11 pm Wednesday. Meanwhile talks in a paper industry dispute resume on Thursday. The centre's shop steward says that employees were reacting to the arrival of outside workers at the site. The postal workers' union PAU has imposed a ban on overtime and extra work while contract negotiations are underway."


 [Hellmail](#) has reported that:


 [Deutsche Post](#) is to introduce price changes for a number of international postal products on 1 January 2011 although it said on the whole customers will benefit from price reductions. At the same time, the price structure for international postal products has been simplified to become more customer-friendly, meaning that the number of prices for international postcards and letters weighing up to 1,000g will be reduced from ten to four. The prices of letters and postcards being sent to addressees within Germany will remain unchanged in the year to come. A relevant price application filed by Deutsche Post has just been approved by the German Network Agency which is responsible for regulating letter prices.


 [Estonian Post](#) is nearing the final stage of the introduction of automated parcel terminals after it announced this week that invitations for bids has been sent to three suppliers. The new machines are expected to appear in Estonia, followed by Latvia and Lithuania. The deadline for submission is the 2nd of November.


 [Itella](#) Corporation Stock Exchange Release


 The [Slovakian postal service](#) reported this week that it is now struggling with a lack of stamps at some post offices and in some cases, stocks have dwindled to zero. Slovak Post said the shortfall had been caused by a delay in the supply of stamps, which is entirely the remit of state authorities in Slovakian law, despite Slovak Post ordering new supplies well in advance. Some areas have seen stamps sold out completely.

 [Pitney Bowes' flagship new product](#) the Connect+ Communication Series™ has won a prestigious Editors Choice Award from respected business technology publication Business Info.

 [There was a cautious response](#) today to the UK coalition government announcement of £1.3 billion funding package, split over four years to maintain and modernise the Post Office network.


 [ABC News](#) has reported that "With scam calls bombarding the U.S. from abroad and identity theft on the rise, the United States Postal Service has taken the unusual step of mailing a warning brochure to every single home in the nation."


 The [Irish Times](#) has reported that "An Post has laid off the equivalent of 260 full-time staff under a cost-cutting programme introduced at the start of this year, according to one of the company's unions."


 The [Daily Mail](#) has reported that "The beleaguered post office network was thrown a £1.3billion lifeline by ministers last night in an effort to prevent a repeat of mass branch closures under Labour. Unveiling details of the controversial Royal Mail sell-off yesterday, Business Secretary Vince Cable said he was determined to protect the future of branches, which will not be included in the sale." See also [The Guardian](#), [Reuters](#), and the [Wall Street Journal](#).


*October 27, 2010*





 [The Guardian](#) has noted that "The thought of striking managers caused hilarity in the posties' smoking shed this morning."


 According to [All Things Digital](#), "Investors are cheering on Netflix as it moves from DVDs to streaming video, and keeps adding customers along the way. But "digital" doesn't equal "cheap" for Reed Hastings' company. In fact, the online move has cost Netflix at least \$1.2 billion."


 According to [Sky News](#), "MPs will vote on plans to privatise the Royal Mail when the Postal Services Bill comes to the Commons for its second reading later."

 [ePolitix.com](#) has reported that "Postal workers from across the country are to meet with MPs ahead of the first debate in Parliament on plans to privatise Royal Mail."










 [Response Source](#) has reported that "Risk & Compliance Screening and Data Management specialists, Datanomic, today announced that Deutsche Post DHL (DPDHL), the world's leading mail and logistics services Group, has standardised on Datanomic's award-winning dn:Director for Sanctions & PEP Screening solution to screen four million freight and logistics customers and subcontractors worldwide, and comply with stringent German, European Union, international and United Nations anti-terrorism regulations. The Datanomic solution is being deployed in both German and English."

 The [Daily Tribune](#) has reported that "Letter carriers in several southeastern Michigan communities are raising the same concerns about a hostile work environment many raised five years ago, in particular that they're being told to speed up, to deliver the mail without overtime. And — as they learned to do months before a fired worker killed four postal workers, wounded others and killed himself in 1991 — they're petitioning U.S. Sen. Carl Levin to investigate."


 [Ekklesia](#) has reported that "Plaid Cymru MPs will today (27 October) attempt to stop Post Office privatisation in its tracks. They are tabling an amendment to the Postal Services Bill. It calls for the Bill to go no further and not to be given a Second Reading. Plaid say that they aim to "prevent the spiralling privatisation agenda of the ConDem UK government". Plaid Cymru's Hywel Williams MP has previously raised concerns about the consequences the Bill will have on the postal service in rural areas and the importance of maintaining the Universal Service Obligation for businesses. The amendment insists that the Bill would harm services of vital importance to rural areas in Wales, Scotland and Northern Ireland. It "notes the importance that sub-post offices play in the delivery of postal services and believes the continuing uncertainty is undermining the confidence of sub-post masters".


 [Civil.ge](#) has reported that "The Georgian Economy Ministry announced on October 27 about the plans to privatize the Georgian Post, which is wholly owned by the state. The ministry said potential investors should submit their bids till December 1, 2010. The Georgian Post, which provides postal, courier, money transfer services, has an extensive network of branches throughout the country with total 100,000 square meter office space and 87,000 square meter of land."

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


-  bpost allegedly plans to acquire a stake in Greek's Elta.
-  TNT plans to completely withdraw from its Austrian alternative postal service redmail.
-  Royal Mail's middle management could strike for the first time since over 30 years.
-  Post Denmark fears that standard letter volume could halve within five years.
-  Canada Post plans to reduce its delivery workforce by 7,000 with a new delivery method.
-  At the beginning of October postal unions and bpost agreed on a wage agreement for 2011.
-  Letter carriers from the whole country protested on Sunday against automatic letter sorting in the Swiss capital of Berne.
-  TNT sold its Czech-Slovak direct-marketing company Dimar Group.
-  'We want to examine how we can utilise social networks in the internet for parcel delivery to private individuals'. Under the name 'Bring Buddies' Deutsche Post wants to test a new logistics


concept in the parcel sector.


 John Pattullo, CEO of Ceva Logistics, appealed to competitors, business partners and customers to work together to establish global standards for sustainable logistics during the 27th German Logistics Congress in Berlin.


 The German logistics industry's revenues are supposed to reach pre-crisis levels this year already.


 In the ongoing legal dispute about FedEx Ground's drivers status the integrator and the state of Montana agreed to settle the case.

 Deutsche Post's e-commerce platform which was announced in March has now launched its services.

 The absorption of Royal Mail's pension fund in the public budget could be subject of an investigation by the EU competition authority.


 Taxipost, Belgian bpost's parcel service, intends to deploy parcel terminals in the future.

 Startup company dialogit UG and Deutsche Post together developed the internet platform Xmas select.

 Austrian Post launched a special offer together with five of its partners on Monday this week. Online orders will be delivered free of charge until November 14. Anyone who accesses the webshops of one of the five partners - the mail order companies Neckermann, Otto, Pabo, Universal and Walbusch - via Austrian Post's website will get his ordered goods without paying a delivery charge.




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


 The [BBC](#) has reported that "Boley Smillie has been appointed the new chief executive of Guernsey Post, after holding the post temporarily since July."

 Postal news from [Hellmail](#):


- [Estonian Post Selects Company To Manage IT Infrastructure](#)
- [Correos Sponsors European Ecommerce Conference](#)
- [New Royal Mail Stamp Recognises Armed Forces Contribution](#)
- [Address Validation Smooths The Way For Wiggly Wigglers](#)
- [Evidence Sought On Failures In Corporate Governance](#)
- [And The Prediction Is - Docmail](#)


 The [National Post](#) has reported that "Canada Post, trying to maintain parcel volumes in the face of a declining letter transport business, is launching a shopping website that lets users buy products online from retailers selling specifically to Canadians. The crown corporation said the site, called Canada Post Comparison Shopper, will use a ranking system that filters through 4 million products from 500 established retailers marketing directly to Canadian residents. The system offers search and filter capabilities not available on competing shopping sites, Canada Post said, like a feature that screens for retailers actually shipping to Canada. The site also estimates an "all-in" price for a product, which includes taxes, shipping and customs fees."


 The [Independent](#) has reported that "Growth in air cargo dipped last month, reflecting weak consumer and business confidence across the world, the International Air Transport Association (Iata) warned yesterday."


 The outgoing [President of the APWU](#) has told his members that "The announcement of Postmaster General John Potter's retirement comes with shock and disappointment. We have had disagreements on a variety of issues – most notably, the cozy relationship he fostered with major mailers, and the policy of granting them excessive postage discounts. But Potter has always considered the impact his decisions would have on postal employees. Having begun his career as a distribution clerk, he has never overlooked the contribution of workers....have no inside information about the reason for Potter's decision, and no reason to believe that his retirement was demanded by the Board of Governors; but if it was, the Board has made a terrible mistake. The Postal Service is at a crossroads, and its relevance in American society is being questioned."

 The [Postalnewsblog](#) has posted "PMG's farewell letter to postal employees."


 [Cato Institute](#) is of the opinion that "Congress has shown virtually no interest in giving the USPS, which is bleeding red ink, the greater flexibility it needs. This makes me wonder if Potter will reach the same conclusion that his predecessor, William Henderson, reached following his departure from the USPS. Three short months after Henderson stepped down as postmaster general in June 2001, he penned an op-ed in the Washington Post that called for the USPS to be privatized."


 According to the [Gerson Lehman Group](#), "The "paperless office" is among the most over-promised and under-delivered concepts of the information age. The generation that started the information age still loves paper. However, three necessary components; viable technology, a supportive legal framework, and clear economic incentives, will make this decade the one in which we finally realize significant decreases in paper and printing utilization."


 [Multichannel Merchant](#) has reported that "Chairman of the Board of Governors Louis J. Giuliano said in a statement that Potter has been "a steadying and far-sighted leader throughout a period of dynamic change in America's use of the mail and during times of economic uncertainty. The hallmark of your success was your ability to build respectful relationships with all stakeholders, customers and employees that established a trusted level of credibility. We unreservedly regard your tenure as one of great accomplishment."

 [Government Executive](#) has reported that "Fredric Rolando, president of the National Association of Letter Carriers, called Potter "an honorable partner," but noted his union also had "profound strategic differences" with the outgoing leader. Rolando said he looked forward to working with the new postmaster general in the coming months."

### ***October 26, 2010***


 According to the [Washington Post](#), "Age -- not declining mail volume, sinking profits or an uncooperative Congress -- triggered John E. Potter's decision to step down as postmaster general after 9 1/2 years, he said Tuesday. And after three decades delivering letters and packages on behalf of the nation's largest private firms, he's seeking out a new employer."


 According to [Daily Nation](#), "Social mail in Kenya has been declining over the past seven years at an average rate of 13 per cent due to technological developments. Communication has shifted to e-mails, telephones and SMSs," said Dr Enock Kinara, the organisation's general manager in charge of the Nairobi Postal Strategy. The postal service business has been limping, taking heat on several fronts. The technological revolution has seen the cost of mobile phones decline by more than 50 per cent, enabling Kenyans who could not afford the gadget in the past become proud owners of mobile phones. This signalled the beginning of the decline in social mail or the snail mail. Instant messaging and e-mails, for example, have made the art of letter writing seem quaint."


 [NYLE](#) has reported that "Worsening disruptions to mail deliveries are expected this week. Thousands of households did not receive their mail on Monday as a result of a ban on overtime work by postal workers. Postal workers, who are without a contract, have continued their ban on overtime work since last Wednesday. Negotiations resumed on Monday afternoon, but are expected to drag on for several days."

## **At the Postal Regulatory Commission:**

- **Sunshine Act Meetings** **TIME AND DATE:** Wednesday, November 3, 2010, at 11 a.m. **PLACE:** Commission hearing room, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001. **STATUS:** Parts of this meeting will be open to the public. The rest of the meeting will be closed to the public. The open parts of the meeting will be audiocast. The audiocast can be accessed via the Commission's website at <http://www.prc.gov>. **MATTERS TO BE CONSIDERED:** The agenda for the Commission's November meeting includes the nine items identified below. **PORTIONS OPEN TO THE PUBLIC:** 1. Review of postal-related congressional activity. 2. Report on international activities. 3. Review of active cases. 4. Report on recent activities of the Joint Periodicals Task Force and status of the report to the Congress pursuant to Section 708 of the PAEA. 5. Report on the status of the Annual Report. 6. Report on vacancies and positions recently filled. **PORTIONS CLOSED TO THE PUBLIC:** 7. Discussion of pending litigation. 8. Discussion of confidential personnel issues. 9. Discussion of contracts involving confidential commercial information. **CONTACT PERSON FOR MORE INFORMATION:** Stephen L. Sharfman, General Counsel, Postal Regulatory Commission, 901 New York Avenue, NW., Suite 200, Washington, DC 20268-0001, at [stephen.sharfman@prc.gov](mailto:stephen.sharfman@prc.gov) or 202-789-6820 (for agenda-related inquiries) and Shoshana M. Grove, Secretary, at 202-789-6800 (for inquiries related to meeting location, access for handicapped or disabled persons, the audiocast, or other similar matters). **Dated:** October 22, 2010. By the Commission. Shoshana M. Grove, Secretary.
- [The Postal Service's 8K](#) has been filed with the Postal Regulatory Commission.

 The [Wall Street Journal](#) has reported that "Dutch postal and express group TNT NV (TNT.AE) said Tuesday its Express unit will start a direct scheduled B747 service between Chongqing in Western China and Europe through TNT's Liege hub."

 From [PRWeb](#): "Greeting cards emerge as a cost-effective and feasible alternative for expensive gifts. The greeting card industry has been fairly immune to the recent slowdown in the economy, thanks to the launch of novel and unique designs of cards, catering to various sentiments and occasions of individuals and the ability to convey emotions, particularly in the times of recession. The industry recorded robust growth figures between 2004-2007. However, during 2008-2009 the market registered flat growth rates, due to the recession and growing popularity of e-cards. Innovations in designs and make of cards enabled card vendors to survive despite the gloomy economy. The United States represents the largest regional market for Greeting Cards worldwide, as stated by the new market research report on Greeting Cards."

 According to the [Washington Post](#), "it's unclear how Donohoe will be any different from Potter since he's spent the last five years in his shadow, implementing cost cuts and operational changes that both have touted as their solution to solving the Postal Service's financial woes. "We're not going to do things to kill this organization, far from it," Donohoe said in an interview with The Federal Eye late last year. "I grew up in Pittsburgh, I watched the steel mills go away. My mom and dad worked for General Motors, I watched General Motors go away. We will not let that happen in this organization." "Like Potter, Donohoe eagerly wants Congress to back off and let postal executives manage USPS in a more nimble way. "Leave us alone. Providing access to the American public is a critical thing, we know that," he said. "I think that Congress should rest easy that everybody here - our board of governors or leaders in our organization - want to do the right things," Donohoe said. "Our unions want to do the right thing. We have to resolve pay and labor issues internally and I think that it's important that we do that, because if we do that, that makes for a stronger Postal Service."



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



[UPS reports strong growth across all segments](#)

[Swiss Post strengthens relationship with Fribourg Cantonal Bank](#)



[Royal Mail managers threatening to disrupt the Christmas post](#)


[Over 600 shops at one new address for An Post](#)


[US Postal Service rated among best companies for Hispanics](#)

[Prime Vision technology recognised in national exhibition – and on a postage stamp](#)




**From the Federal Register: Postal Regulatory Commission PROPOSED RULES** Periodic Reporting: Temporary Waiver Request , 65593–65594 [2010–26835] [\[TEXT\]](#) [\[PDF\]](#) **NOTICES** Meetings; Sunshine Act , 65674–65675 [2010–27231] [\[TEXT\]](#) [\[PDF\]](#) New Postal Products , 65675–65676 [2010–26957] [\[TEXT\]](#) [\[PDF\]](#) 65676–65677 [2010–26982] [\[TEXT\]](#) [\[PDF\]](#) Periodic Reporting Rules , 65677–65678 [2010–26981] [\[TEXT\]](#) [\[PDF\]](#)


 [Dead Tree Edition](#) has told its readers that "At the ripe age of 55, Postmaster General Jack Potter announced his retirement today from the worst CEO job in America. Some will no doubt speculate about the reasons -- a coming change in Congress or perhaps the failure so far to notch any major political victories on such issues as rate increases, five-day delivery or retiree-benefits reform. But I have my own theory. The job stinks."


 The [Washington Post](#) has reported that "The nation's top mailman is turning in his bag, retiring after a lifetime of service with the U.S. Postal Service. **Postmaster General John E. Potter will retire on Dec. 3** after nine years at the helm of the mail agency, according to multiple sources familiar with the move. **His deputy, Patrick R. Donahoe will succeed him**, sources said. USPS will make a formal announcement later this evening. Potter, 55, is in Chicago for meetings with the Postal Service Board of Governors and personally phoned lawmakers and postal regulators on Monday to tell them the news, according to sources." See also [Business Week](#) and the [Associated Press](#).




[Bloomberg](#) has reported that "United Parcel Service Inc. expects to handle 430 million packages globally between Thanksgiving and Christmas and has added flights in China to meet surging export demand, Chief Executive Officer Scott Davis said."


 The [Belfast Telegraph](#) has reported that "Buckingham Palace is in discussions with Government over the future use of the Royal Mail name once the body is privatised, postal affairs minister Ed Davey said. Any buyer would wish to continue using the name, Mr Davey suggested, but "safeguards" were being identified to guard against "misuse" of the Royal title. The measures would ensure Royal associations were used "respectfully and appropriately" - and that they could be stripped away if necessary." See also the [Daily Mail](#).

 [Life Hacker](#) has reported that "The shift to email isn't great news if you're the national postal organisation, but Australia Post isn't entirely stuck in the backwaters. New data reveals that an increasing number of its customers are using smart phones to access its service."

 According to the [APWU](#), "More than half-way through the 90-day period established for contract negotiations, the APWU is becoming impatient with the pace of bargaining. The union negotiating team is well aware that the Postal Service is experiencing serious financial difficulties. For that reason, we anticipated that bargaining would be difficult as we attempt to build on the advances negotiated in past years. Yet as the Nov. 20 contract expiration approaches, I am increasingly disgusted by management's refusal to get to the heart of the matter: Bargaining began on Sept. 1, and representatives for both sides have been meeting each week to explore issues of agreement. The APWU negotiating team is led by the President and Director of Industrial Relations, and includes the Executive Vice President and the Craft Directors. As expected, USPS proposals have included efforts to maximize supervisory control of the workplace and reduce costs by removing previously negotiated contractual protections."

 A University of South Carolina professor is this year's recipient of the [Rita Lloyd Moroney Award from the U.S. Postal Service](#) (USPS), recognizing excellence in published works involving USPS history.

*October 25, 2010*

 The [Washington Post](#) has reported that "a federal jury said FedEx must pay \$66 million to now-defunct ATA Airlines, saying the package delivery company broke a contract that ultimately pushed ATA into bankruptcy."

 **At the Postal Regulatory Commission:**

CP2010-95 Notice of Updates to Product List

Link: [http://www.prc.gov/docs/70/70592/Secy\\_Notice\\_102510.pdf](http://www.prc.gov/docs/70/70592/Secy_Notice_102510.pdf)  
[http://www.prc.gov/docs/70/70592/Secy\\_Notice\\_102510.doc](http://www.prc.gov/docs/70/70592/Secy_Notice_102510.doc)

MC2010-34 Notice of Updates to Product List

Link: [http://www.prc.gov/docs/70/70592/Secy\\_Notice\\_102510.pdf](http://www.prc.gov/docs/70/70592/Secy_Notice_102510.pdf)  
[http://www.prc.gov/docs/70/70592/Secy\\_Notice\\_102510.doc](http://www.prc.gov/docs/70/70592/Secy_Notice_102510.doc)

MC2010-35 Notice of Updates to Product List

Link: [http://www.prc.gov/docs/70/70592/Secy\\_Notice\\_102510.pdf](http://www.prc.gov/docs/70/70592/Secy_Notice_102510.pdf)  
[http://www.prc.gov/docs/70/70592/Secy\\_Notice\\_102510.doc](http://www.prc.gov/docs/70/70592/Secy_Notice_102510.doc)

R2010-5 Notice of Updates to Product List

Link: [http://www.prc.gov/docs/70/70592/Secy\\_Notice\\_102510.pdf](http://www.prc.gov/docs/70/70592/Secy_Notice_102510.pdf)  
[http://www.prc.gov/docs/70/70592/Secy\\_Notice\\_102510.doc](http://www.prc.gov/docs/70/70592/Secy_Notice_102510.doc)

R2010-6 Notice of Updates to Product List

Link: [http://www.prc.gov/docs/70/70592/Secy\\_Notice\\_102510.pdf](http://www.prc.gov/docs/70/70592/Secy_Notice_102510.pdf)  
[http://www.prc.gov/docs/70/70592/Secy\\_Notice\\_102510.doc](http://www.prc.gov/docs/70/70592/Secy_Notice_102510.doc)



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


- **And Shoppers Prefer... Mail!** Although there's little doubt e-mail and social networking have found a way into the marketing mix, the findings of an Epsilon Targeting study show that direct mail and other "offline" media still play a role with consumers across every age. Does direct mail still play a major role in your shopping choices? [LINK](#) here to let us know!


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

- [Caribbean District Financial Risk Audit - 11BD003FF000](#). Post Offices and business mail units are the initial level where the Postal Service receives revenue from customers. This project will focus on evaluating the controls over those financial transactions in the Caribbean District.



- [District Practices Affecting Financial Risk - 11BG004FF000](#). The OIG developed a Risk Model that ranks the Postal Service's 74 districts with respect to 12 financial risk indicators that are all revenue (income) associated at a unit. Indicators include local purchases, refunds, miscellaneous expenses, non-local purchases, clerk cash management, office cash management, employee related items, customer account management, retail stamp stock, overall unit stamp stock management, and contract postal units management. This audit identify programs and procedures at high risk and low risk districts that affect these risk factors, and determine if opportunities exist to share best practices between districts in order to reduce overall financial risk.
- [Stamp Distribution and Destruction Procedures - 11BG005FF000](#). Our objective is to determine whether stamp distribution and destruction procedures are efficient and effective. One of the major changes to the stamp distribution network is how Stamp Distribution and Destruction send accountable stamp items to its retail locations. The new shipping method uses Priority mail with signature confirmation versus registered mail to distribute accountable stamp items to retail locations.

 The [Wall Street Journal](#) has reported that "The Greek government has already received initial expressions of interest from the Belgian Post Group and several other international firms for its planned sale of a stake in the Hellenic Postal Service, a senior person with direct knowledge said Monday. Hellenic Postal Service is 90% state-owned and provides postal service throughout the cash-strapped Mediterranean country. The government has previously said it wants to reduce its holding in the organization as part of its privatization program under the EUR110 billion bailout from the International Monetary Fund and the European Union."





**Welcome to PostCom Radio**


*Join PostCom Vice President Jessica Lowrance, Lisa Bowes, Manager, Account Services, Intelisent, Angelo Anagnostopoulos, Vice President, Postal Affairs Grayhair Software, and Phil Thompson, Manager, Postal Systems, Quad Graphics in a discussion of*

***"Here Comes Full-Service ready or not."***

*(A Service of the PostCom Education Committee)*


 The [Financial Times](#) has reported that "Royal Mail is pressing ministers for a drastic loosening of regulation in an attempt to make the ambitious privatisation plan for the state-owned postal operator succeed. Ed Davey, postal services minister, has been warned by executives that, without a relaxation of "suffocating" controls on its commercial freedom, the plan to sell off part or all of Royal Mail may fail to attract investor interest. Moya Greene, the company's new chief executive, is urging the government to lay down a new, lighter-touch regulatory regime that would reassure the markets in the run-up to a sale over the next two to three years. Without that, she fears a continued haemorrhage of mail volumes to e-mail, digital media and rival operators will worsen its fragile financial position and threaten its ability to maintain the universal service."


 [Management Today](#) has reported that "Managers at the Royal Mail will find themselves on the horns of a dilemma this week, when they are balloted over strike action for the first time in more than 30 years (since the 1979 Winter of Discontent). On the one hand, senior management is apparently planning to make about 1,500 of them redundant, and the Unite union argues that they need to take a stand before things get even worse. On the other, Royal Mail points out that mail volumes have plummeted by 13m a day over the last five years; drastic action is clearly required, and a strike could actually strengthen the Government's argument for privatisation." See also the [Wall Street Journal](#), [Hellmail](#), the [London Daily News](#), and [The Scotsman](#).

 According to [Intelisent](#), "Full Service requirements are both expensive and hard to handle. Managing the sequence numbers on the mailpieces is not all that difficult. However, Full Service also requires unique sequence numbers on the trays, sacks and pallets. Pallet placards must be affixed to the outside of pallet wrapping, which doesn't sound like much, but adds an adhesive expense and handling for the mail service preparer. And - if one of those placards falls off in transit and handling - poof, goodbye discount, downstream. This loss of discount would


take place well after the mail has already been accepted. Take a look at the list of Guides you need to reference in order to familiarize yourself with is needed to do a Full Service mailing:


<http://ribbs.usps.gov/index.cfm?page=intellmailguides> There is a Beginner's Guide, and eDocs Guide, a Customer Supplier Agreement Guide, Mail.dat Guide, Mail.XML Guide, the Main Intelligent Mail Guide (190 pages- including 48 pages of different Service Type IDs) - there are so many guides and specifications that the USPS has a guide to all the guides! By far the biggest issue when dealing with Full Service is the USPS current push to look at using requirements and subsequent penalties as a revenue stream, instead of as a corrective action."


 The [Monterrey Herald](#) has reported that "For the second time in a year, Monterey County postal workers Saturday set up informational pickets in Salinas to protest the possible shutdown of the Salinas mail-processing plant and displacement of up to 43 employees. The San Francisco Bay Area district of the Postal Service launched a study Oct. 8 — a process expected to take several months — to determine whether there would be economic benefits to relocating mail-processing from Salinas to San Jose. Those protesting in front of the Salinas plant on Post Drive said a closure would disrupt lives — employees could be transferred as far as 900 miles — and delay mail."


 [WBKO](#) has reported that "The United States Post Office is considering moving mail production out of the area, which could mean lay-offs. Denny Palmer, President of American Postal Workers Union, says "We're trying to educate the public on what's going on with the U.S. Postal Service. Doing a study to test the feasibility of moving our mail from Bowling Green to Nashville, Tennessee. We're out here trying to protest that decision." With the postal service considering moving the processing center, the possibility of workers losing their jobs is a big worry. Cindy Creighton, an employee of the Post Office, says "Jobs could be impacted. Some employees may have to take jobs in other states." These employees held the rally simply because they want their jobs and mail to stay in Kentucky."

#### *October 24, 2010*


 According to [Business Day](#), "As momentum builds at the highest political levels to extend Australia Post's reach into banking, it is understandable that the state-owned enterprise's chief executive, Ahmed Fahour, is reluctant to replicate what he previously ran at National Australia Bank. For while the former boss of NAB's Australian operations is keen to push further into financial services to ensure that Australia Post maintains some kind of relevance in the digital age, Fahour argues that becoming a full-service bank is not the answer."

 According to Doug Bandow of the [Cato Institute](#), "The USPS is in crisis. It is locked in a declining market. It can only survive with indirect taxpayer subsidies and a ban on private competition. Instead of forcing Americans to pay more for less service, Congress should open mail delivery to all comers."


 "As the arguments over privatisation of the Royal Mail continue, the [Hellmail mailbag](#) is seeing a flurry of concerns by private operators and independent consultants who fear that not only will the switch from Postcomm to Ofcom weaken strides to encourage competition, but that it places just too much emphasis on the universal service."

 [The Guardian](#) has reported that "Thousands of rural and urban post offices will be under threat of closure as a result of government plans to privatise Royal Mail, John Denham, the shadow business secretary, will warn this week."

#### *October 23, 2010*

 The [Gibraltar Chronicle](#) has reported that "Thousands of Royal Mail managers in Britain are to be balloted for strikes in a row over job cuts in the first move of its kind since 1979, the year of the Winter of Discontent, it was announced yesterday. Unite said 8,500 managers based in head offices at the Royal Mail, Parcelforce and the Post Office will vote on whether to launch a campaign of industrial action. The union said the ballot was being held in protest at plans to cut 1,500 managers' jobs at the postal group."

Products , 65531–65532 [2010–26787] [\[TEXT\]](#) [\[PDF\]](#) 65532 [2010–26814] [\[TEXT\]](#) [\[PDF\]](#) 65533 [2010–26831] [\[TEXT\]](#) [\[PDF\]](#)

 According to [Dead Tree Edition](#), "The U.S. Postal Service's decision, announced today, to appeal the Postal Regulatory Commission's exigency-rate ruling could backfire, and yet in a way the Postal Service can't lose. Regardless of what happens in the Court of Appeals for the District of Columbia, the appeal is likely to be a winner in the court that really matters for the Postal Service – Congress."

*October 22, 2010*



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

- The U.S. Postal Service has filed an appeal with the U.S. Court of Appeals for the D.C. Circuit today regarding the Postal Regulatory Commission's (PRC) denial of its exigency request. The USPS is requesting review of the PRC's interpretation of the Postal Accountability and Enhancement Act that governs how prices can be set under "extraordinary and exceptional" circumstances. It is also requesting that the Court of Appeals confirm that the Postal Service has the right to the exigent price increase, originally filed with the PRC.
- The U.S. Postal Service's Office of Inspector General (OIG) released its Fiscal Year (FY) 2011 audit plan this week. According to the OIG, "this fiscal year (FY) 2011 audit plan focuses on those projects that provide Postal Service management with information to address the emerging strategic issues and major risks and management challenges they are facing."
- The Congressional Research Service (CRS) has updated its the U.S. Postal Service's Financial Condition: Overview and Issues for Congress. The latest report provides an overview of the Postal Service's financial condition, recent legislation, and possible issues for the 111th Congress.
- The Association for Postal Commerce (PostCom) on October 18, 2010, submitted its comments to the Postal Service on its proposed rules concerning Express Mail Open and Distribute and Priority Mail Open and Distribute. The association opposed the USPS' proposed five-pound minimum weight for Express/Priority Mail Open & Distribute sacks, and asked for clarification on its proposed changes to Express Mail Open & Distribute service commitments. The USPS had published its proposed rule in the Federal Register on September 17, 2010, with comments due on October 18, 2010.
- PostCom submitted to the Postal Service its comments on the its proposed rules concerning address correction notices for letters and flats qualifying for Full- Service Intelligent Mail and changes to Move Update Standards. PostCom challenged the benefit to the USPS or industry from the proposed requirements. The association also urged the USPS not to tighten the Move Update error threshold at this time.
- PostCom asks PRC to dismiss Standard Mail parcel transfer case. House pass bills, including postal reform, that get no Senate attention. USPS full service at a glance. APWU elects new president. MTAC industry leadership asks for input. Mobile to become \$1B business in US next year. Survey predicts growth in DVD-by-mail movie rentals. Print declines continue to drag down publishers. Is UPS the perfect stock?
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- PostCom welcomes its newest members.
- 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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**PostCom welcomes its newest member: [Harlequin Distribution Center](#)** 3010 Walden Avenue Depew, NY 14043-2696 represented by **John Reindl General Manager**


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


From the USPS co-chair: "The Five-Day Delivery [website](#) has been updated with information about the effect our five-day proposal would have on delivery times by product for single piece and commercial or bulk mail. You now can view delivery times by product based on whether your mail is entry- or destination-entered. Tables and mail flow charts show the service standard for each product and — depending on the day of the week the mail is entered — the start-the-clock day and the expected delivery day based on the service standard. For example, the updated website shows that with a five-day delivery schedule, Standard Mail destination-entered at a sectional center facility on Saturday will have a start-the-clock that day and is expected to be delivered by Tuesday. Another scenario shows Standard Mail entered at an SCF Wednesday — which currently is expected to be delivered Saturday — can be expected to be delivered Monday under five-day delivery.





The [U.S. Postal Service](#) has decided to file an appeal in the U.S. Court of Appeals for the District of Columbia regarding the Postal Regulatory Commission's decision on the USPS exigency rate request.

 [Channel One](#) has reported that "Guernsey Post has submitted proposals to freeze the price of local and UK letters for household customers and introduce some price cuts for business customers. But the plans also include tariff rises for large letters and packets Bulk Mail customers are being promised 'significant' reductions in international prices from January 2011."

 See the [Nigerian Observer](#) for an article on "Impact Of National Address Gazetteer On Nigerian Sustainable Dev Plan."

 The [Azerbaijan Business Center](#) has reported that "Iltimas Mammadov, deputy minister for communications and information technologies, informs that World Bank's Financial Service Development Project (FSDP) with focus on establishment of postal banks is to complete by 1 December. "From that moment all the country's postal offices will be able to render financial and banking services that is quite important for remote and high mountain regions," Mamamdiv said."

 [Post & Parcel](#) has reported that "Swiss Post has revealed a partnership with Fribourg Cantonal to provide a variety of mailing services to the bank. Since mid-August, Swiss Post has also been responsible for digitising documents, operating the central in-house mail and processing slip-based payment transactions for the bank."


 [Transport Intelligence](#) has reported that "TNT has signed an agreement to sell DIMAR s.r.o. (Prague) and Dimar Slovakia s.r.o. (Bratislava), its direct marketing business, to its current management teams. DIMAR is part of European Mail Networks and provides full-service direct marketing activities (database management, consumer and business information, printing and creative design) in the Czech Republic and Slovakia."




**At the Postal Regulatory Commission: Postal Regulatory Commission NOTICES** New Postal Products , 65386 [2010-26723] [\[TEXT\]](#) [\[PDF\]](#)


 Postal news from [Hellmail](#):

- [An Post Boosts Online Shopping Experience](#)
- [Royal Mail Introduces Improved Tracking For Retailers](#)

 [The Coloradoan](#) has reported that "When Larimer County voters take their ballots to the post office for mailing, they'll be charged 44 cents. Or 61 cents. No one can explain the discrepancy, but election officials and the U.S. Postal Service stress that all ballots will be delivered, whether they carry 44 cents or 61 cents in postage"


 The [Wall Street Journal](#) has reported that "Detractors portray him as a Republican pit bull-in-waiting who will lunge for the Democrats' jugular if his party wins the House in next month's election. Rep. Darrell Issa wants to bury

that notion. He said he won't pepper the Obama White House with subpoenas and showboat hearings if he becomes chairman of the House Committee on Government Oversight and Reform. "That's not my plan at all," the California Republican said in an interview. While fellow Republicans promise efforts to repeal the Democrats' health-care overhaul and block funds to undermine the Obama agenda, Mr. Issa talks cooperation. And cooperation, in particular, with President Barack Obama. To hear Mr. Issa, his potential chairmanship might be a bit more workmanlike. **The items that top his target list if he becomes Congress's top watchdog** include: Dig into excesses in the federal pension system; trim Medicare waste; **downsize and try to save the U.S. Postal Service**; investigate potential abuses within mortgage giants Fannie Mae and Freddie Mac."


 According to [Wallet Pop](#), "It's another nail in the Postal Service's coffin. Magazines are ripping a page from newspaper tradition and are ditching the U.S. Mail and contracting with cheaper delivery services to hand-deliver their issues. The change further dents our national mail's bottom line."




The [Association for Postal Commerce has filed comments](#) with the Postal Service regarding its proposed rule concerning "Address Correction Notices for Letters and Flats Qualifying for Full-Service Intelligent Mail and Changes to Move Update Standards."


 California-based companies Quicksort Inc., Quicksort LA Inc. and Quicksort Sacramento Inc. have agreed to pay the United States \$4.2 million to settle allegations that Quicksort violated the False Claims Act by falsely representing the level to which it had pre-sorted mailings in order to obtain discounted postage rates from the U.S. Postal Service, the [Justice Department](#) has announced.

*October 21, 2010*

 [Internet Retailer](#) has reported that "Package delivery company United Parcel Service of America Inc. reported today that average daily package volume increased 5.0% globally to 14.97 million pieces per day during the third quarter ended Sept. 30."

 [Business Spectator](#) has reported that "Future Fund chairman David Murray has held talks with the federal government about expanding the role of Australia Post to offer banking and other financial services, as a way to increase competition in an industry dominated by the big four banks, according to a Fairfax Media report. Under the plan, nearly 3800 Australia Post branches nation wide would offer the services, injecting more competition into banking and providing an alternative role for Australia Post as its postal business declines."

 [Hellmail](#) has reported that "Ofcom, which is to take on the responsibilities of postal regulator Postcomm, is to shed around a fifth of its staff as a result of budget-cutting austerity measures announced by the government. It was confirmed last week that Citizens Advice and Trading Standards would be taking over the role of some existing quangos facing closure including the role of Consumer Focus. Ofcom will see its present £143m budget fall by £30m in 2014/15. Around 170 jobs are expected to go."

 [SiliconIndia](#) has reported that "The global economic downturn and the popularity of e-mails as a preferred mode of communication are the two major factors that have had significant negative impact on postal operators globally, and the lack of real innovation by postal operators is the driver of this negative growth. Over the past ten years, postal operators have introduced more than 3,000 innovations, out of which only 25 percent of innovations are focused on new products or business modes whereas the remaining 75 percent are targeted at internal functions, mainly service and process optimization, reveals a new study titled "Innovation Management in the Postal Industry - the Key for Business Transformation" by the IT services and business consultancy company Capgemini. According to the report, there are two types of operators in the postal market - Market Shapers and Market Optimizers. Market Shapers have well-organized innovation management but they lack confidence for implementing impactful innovations and as a result have low profits. On the other hand, Market Optimizers may not be well organized, but they have more spontaneous approach to innovation management. They bring high-impact innovations to market and often achieve high profits, the report says."



 **At the Postal Regulatory Commission:**

CP2011-13 Order No. 566 - Order Approving Six Additional Global Expedited Package Services  
3 Negotiated Service Agreements

Link: [http://www.prc.gov/docs/70/70570/Order\\_No\\_566.doc](http://www.prc.gov/docs/70/70570/Order_No_566.doc)  
[http://www.prc.gov/docs/70/70570/Order\\_No\\_566.pdf](http://www.prc.gov/docs/70/70570/Order_No_566.pdf)

CP2011-14 Order No. 566 - Order Approving Six Additional Global Expedited Package Services  
3 Negotiated Service Agreements

Link: [http://www.prc.gov/docs/70/70570/Order\\_No\\_566.doc](http://www.prc.gov/docs/70/70570/Order_No_566.doc)  
[http://www.prc.gov/docs/70/70570/Order\\_No\\_566.pdf](http://www.prc.gov/docs/70/70570/Order_No_566.pdf)

CP2011-15 Order No. 566 - Order Approving Six Additional Global Expedited Package Services  
3 Negotiated Service Agreements

Link: [http://www.prc.gov/docs/70/70570/Order\\_No\\_566.doc](http://www.prc.gov/docs/70/70570/Order_No_566.doc)  
[http://www.prc.gov/docs/70/70570/Order\\_No\\_566.pdf](http://www.prc.gov/docs/70/70570/Order_No_566.pdf)

CP2011-16 Order No. 566 - Order Approving Six Additional Global Expedited Package Services  
3 Negotiated Service Agreements


Link: [http://www.prc.gov/docs/70/70570/Order\\_No\\_566.doc](http://www.prc.gov/docs/70/70570/Order_No_566.doc)  
[http://www.prc.gov/docs/70/70570/Order\\_No\\_566.pdf](http://www.prc.gov/docs/70/70570/Order_No_566.pdf)

CP2011-17 Order No. 566 - Order Approving Six Additional Global Expedited Package Services  
3 Negotiated Service Agreements

Link: [http://www.prc.gov/docs/70/70570/Order\\_No\\_566.doc](http://www.prc.gov/docs/70/70570/Order_No_566.doc)  
[http://www.prc.gov/docs/70/70570/Order\\_No\\_566.pdf](http://www.prc.gov/docs/70/70570/Order_No_566.pdf)


CP2011-18 Order No. 566 - Order Approving Six Additional Global Expedited Package Services  
3 Negotiated Service Agreements

Link: [http://www.prc.gov/docs/70/70570/Order\\_No\\_566.doc](http://www.prc.gov/docs/70/70570/Order_No_566.doc)  
[http://www.prc.gov/docs/70/70570/Order\\_No\\_566.pdf](http://www.prc.gov/docs/70/70570/Order_No_566.pdf)


 **Engadget** has noted that "It seems like just yesterday we were celebrating Netflix's 2 billionth disc sent, but in announcing the company's Q4 financial results, CEO Reed Hastings called his baby "primarily a streaming company that also offers DVD-by-mail." Other notes include an indication that a streaming only plan for US customers, mirroring its offering in Canada, currently in limited testing could become widely available later in the fourth quarter of this year, with a potential that "pure streaming" could become the core package for Netflix going forward while DVDs might require a premium service charge like Blu-ray does now. So what comes next? If all goes according to plan, expansion beyond North America in late 2011, continuing to add more streaming content and improving the UI on other devices."





According to **The Motley Fool**, "The recession hasn't been kind to UPS, which comes in with a score of 3. The shipping and delivery company is a bellwether for economic conditions, and when overall business activity is slow, UPS doesn't get the volume it needs to reap the biggest profits from its sophisticated and capital-intensive operational structure. UPS has followed a slightly different course from rival FedEx. UPS's higher debt levels boost its returns on equity, but they also bring more risk from leverage if things go badly. What some don't realize about UPS, however, is that it doesn't just deliver packages. It also has a freight services business that competes with truckload and less-than-truckload carriers like YRC Worldwide and Landstar System. UPS's freight and supply chain segment represented 16% of its overall revenue in 2009, but it's a low-margin business that pulls down UPS's overall profit margins."

 **BtoB** has reported that "United Parcel Service will feature its new "We Love Logistics" ad campaign on the National Geographic Channel's upcoming seven-part "Great Migrations" miniseries."





 ["APWU President William Burrus](#) has again refuted assertions about the financial condition of the Postal Service that appeared in a recent column in The Daily Caller: "The Postal Service Can't Afford Unions."


 [Hellmail](#) has reported that:


 [Portugese regulator Anacom](#) has released a new report in conjunction with CTT, which shows that there were 2897 postal establishments - 7 more than at the end of 2008 - of which 884 are permanent post outlets, 11 mobile post offices and 2002 alternative outlets. The data showed a slight increase in the total number of postal establishments, thus maintaining an upward trend observed since the second half of 2008.


 [Over 600 leading Irish and international brands](#) had a big boost this week with the Online Shopping Directory from An Post getting a new name and a new look. The site is changing to the new name of iloveshopping.ie just in time for the peak online shopping season pre-Christmas. The website has already created big business for An Post customers and in turn An Post's parcel business. The site features hundreds of stores on one simple to navigate site, hot offers and promotions, online catalogue ordering and a special gift finder tool. iloveshopping.ie is supporting Ireland's favourite e-tailers and is aimed at ever savvier shoppers who want to save both money and time from the comfort of home.

 [Royal Mail](#) this week launched an improved and extended range of tracked services to smaller retailers to help them improve the delivery experience for their customers. More than 1,500 retailers are currently registered to use Royal Mail Tracked®, a low cost, two-day delivery service which tracks an item's progress at every stage from the retailer's warehouse to the customer's doorstep, with confirmation of the successful delivery of a parcel within 15 minutes.

 [Reuters](#) has reported that "Germany's postal service has announced plans to explore improved service and help protect the environment by getting "bring buddies" -- ordinary people travelling across cities -- to deliver parcels on their way. The amateurs find out online about parcels which need delivering to people who live or work along the route they are planning to travel through the city and then select the ones they want to take. Retrieval codes sent to their mobile phones tell the bring buddies where to pick the packages up. Parcels can be taken part of the way or passed on to another buddy but all buddies need to have the right code on their mobile phone so the track and trace system can be updated. Logistics companies will be responsible for overseeing the operation and supervising transactions to ensure that the privacy of post is not violated."


 [Research](#) magazine has reported that "Royal Mail will not face a financial penalty after staff members were found to be rigging research to ensure members of a service performance measurement panel received their post on time, the postal regulator has ruled."

 [WBAY](#) has reported that "Postal workers in Oshkosh say a town hall meeting will take place in November to discuss the potential closing of the mail processing facility in the city. It's a claim the U.S. Postal Service denies. Postal Service workers in Oshkosh fear their plant is one step closer to shutting down for good."

 According to the [Journal of Commerce](#), "TNT Post has written to the unions saying that it is prepared to reduce the number of involuntary redundancies (4500) by 1400. It will also be possible to offer 200 people work temporarily, until the end of 2012."

### **At the Postal Regulatory Commission:**


- CP2011-2 Order No. 563 - Order Approving Express Mail Contract 9 Negotiated Service Agreement  
[http://www.prc.gov/docs/70/70553/Order\\_No\\_563.pdf](http://www.prc.gov/docs/70/70553/Order_No_563.pdf)  
[http://www.prc.gov/docs/70/70553/Order\\_No\\_563.doc](http://www.prc.gov/docs/70/70553/Order_No_563.doc)
- MC2011-1 Order No. 563 - Order Approving Express Mail Contract 9 Negotiated Service Agreement  
[http://www.prc.gov/docs/70/70553/Order\\_No\\_563.pdf](http://www.prc.gov/docs/70/70553/Order_No_563.pdf)  
[http://www.prc.gov/docs/70/70553/Order\\_No\\_563.doc](http://www.prc.gov/docs/70/70553/Order_No_563.doc)


 **DMM Advisory: Keeping Letter and Flat Trays in Circulation.** The fall and Holiday mailing seasons are getting into full swing. Letter and flat trays allow us to handle your mail efficiently in our processing facilities; however, we are facing a potential shortage of the MM letter trays. We have tried to avoid this situation by asking mailers to conduct ongoing mail transport equipment (MTE) audits to locate forgotten, misused, or excessive MTE. As a rule of thumb, you should maintain no more than a 7-day supply of MTE. When MTE overstocking occurs, other customers are prevented from completing their mailings. So please, don't hang onto excess MTE. Make sure to return it to your Post Office, processing facility, or BMEU. Until we have recovered excess MTE, keep in mind that you may use EMM trays (EIRS 74E) as an authorized substitute when MM letter trays are unavailable.





[The USPS OIG has posted his 2011 audit plan.](#)


*October 20, 2010*


 According to [The New York Times](#), "the country's largest newspaper publishers still haven't been able to reverse a slump in advertising sales more than three years after it began. The latest prognoses for the newspaper business came Tuesday in a pair of third-quarter earnings reports from The New York Times Co. and McClatchy Co. Both showed that print advertising fell compared with a year ago, when ad sales had already taken a big plunge from 2008 levels. And neither company was able to draw enough new business from its digital operations to make up for the losses in print. The outlook entering the holiday season isn't much better. Both the Times Co. and McClatchy, which owns *The Sacramento Bee*, *The Miami Herald* and other newspapers, said advertising fell more sharply in September from a year ago."


 [Information Week](#) has reported that "There will be an estimated 5.3 billion mobile cellular subscriptions globally by the end of the year and 90% of the world's population now has access to mobile networks, according to the International Telecommunication Union (ITU), in its "The World in 2010" report. Deployment of 3G has grown significantly in both developed and developing countries, with 143 countries offering 3G services in 2010 compared with 95 in 2007, the report from the United Nations (UN) agency said. Additionally, several countries have begun offering next-generation 4G services, including Sweden, Norway, the Ukraine, and the United States. The report also found that the mobile market is reaching saturation levels and mobile cellular growth is slowing worldwide. From 2009 to 2010, there has been only a marginal growth of 1.6%, according to the ITU. In the Asia Pacific region, cellular penetration rates will grow to 68% by the end of the year, notably in India and China, which will have an estimated 300 million mobile subscriptions. The 68% mobile phone penetration rate in developing countries is "higher than any other technology before," said Sami Al Basheer, director of the ITU's telecommunication development bureau, in a statement. "These countries have been innovative in adapting mobile technology to their particular needs and will be able to draw even greater benefits from broadband once adequate and affordable access is available."


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

 A weak economy and a drastic decline of domestic letter volume caused Australia Post's annual profit to plunge more than 50%.


 Last week the German government passed a bill to establish a secure email platform. The so called 'De-Mail law' is supposed to create the legal framework for a secure, confidential and verifiable e-mail traffic in Germany. Therefore e-mail service providers have to comply with certain IT security and data protection standards as laid down by the government.


 Austrian Post and Swiss Post plan to bring their German direct marketing subsidiaries in a joint venture.


 Spain's largest federation of trade unions, CCOO, has warned that the cuts in Correos's investment spending would lead to job losses.


 TNT Post plans to make concessions to the unions. In the conflict concerning the lay offs of all full time deliverers the company indicated its willingness to sack less than 4,500 employees (CEP-

News 38/10). TNT submitted proposals that met the request made by the unions for reducing the number of compulsory redundancies of 4,500 an official statement reads.

 The unions Kommunikation and transfair have accepted the proposed wage agreement for 2011 at Swiss Post.


 In addition to usual services like mail forwarding requests and 'poste restante' services, Poste Italiane now offers its customers the Dimmiquando service. With this service addressees can now decide for a period of 3, 6 or 12 months, on which day of the week they want to receive their mail.


 Deutsche Post plans significant growth and more jobs in China.


 The government of the Principality of Liechtenstein decided to redraft the country's postal law.





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.)*

 [YLE](#) has reported that "As of midnight on Tuesday, some 22,000 members of the Finnish Postal and Logistics Union turned their backs on overtime work and extra duties. The ban affects both post distribution and post office services. The protest action is, however, not expected to affect newspaper deliveries. Postal workers' collective agreement with the employers' association TIKLI expired last Friday. Among other issues, postal workers are concerned about newcomers entering the distribution arena."

 The [Columbus Dispatch](#) has reported that "The U.S. Postal Service faces fines of up to \$210,000 for allegedly failing to provide adequate safety training for employees working on electrical equipment at the Postal Service's Columbus processing center. The Occupational Safety and Health Administration today announced the Postal Service faces five "willful" violations following an inspection that began in April in response to employee complaints. A willful violation is one committed with intentional, knowing or voluntary disregard for the law's requirements or indifference to employee safety and health. The complaint asks that the Postal Service be ordered to correct electrical violations at all of its facilities nationwide."

 [AllAfrica.com](#) has reported that "The Kano territory of the Nigeria Postal Service (NIPOST) has introduced a new value-added service called Home delivery and VSAT services in major post offices in the state, with a view to adding value to the services rendered to their subscribers. Speaking to newsmen in Kano, the Area Postal Manager of Kano Territory, Malam Mohammed Yakubu Mahuta, said the service affords public the opportunity to receive mail items at their convenient locations."


 [International Finance Centre](#) has reported that "Mail delivery firm Citipost has welcomed the news that it has been granted a licence to provide postal services to Jersey's fulfilment industry."

 [Supply Chain Digital](#) has reported that "Capgemini has announced the findings of a study into innovation in the postal industry, which reveals a perceived lack of real innovation by operators."





[Transport Intelligence](#) has reported that:


- [DHL has introduced three new air express routes](#) between Europe, the Middle East and Asia Pacific. The routes are being served by AeroLogic, the joint venture cargo airline of DHL Express and Lufthansa Cargo.
- [DHL Global Forwarding](#) Japan is to open a new office at Haneda Airport (Tokyo International Airport). The move is aimed at capturing anticipated growth in freight movements through the country on the back of the internationalization of Haneda Airport.


 [Hellmail](#) has reported that "Mail to and from France is likely to see further delays as strike action in Paris, Lyon, Lille, Bordeaux and Marseilles continues. Over one million people, including postal workers, took to the streets yesterday in protest against planned pension reforms."


**October 19, 2010**


 [Advertising Age](#) has reported that "Mobile is red hot this year, but it still won't be a billion-dollar ad business in the U.S. until 2011, according to new eMarketer estimates. According to a new report, U.S. mobile advertising spending will reach \$743 million this year, up a whopping 79% from \$416 million the year prior. Mobile spending will cross the \$1 billion mark in 2011 with sustained growth, though at slower rates."


 [The Telegraph](#) has told its readers that "despite all the talk of cuts to come in the Government Strategic Defence and Security Review today, then the Government Spending Review tomorrow, we are still stealthily adding billions to the tax bills our children – and, very probably, their children – will have to pay. Take, for example, Business Secretary Vince Cable's plans for the Royal Mail. All eyes have focussed on his hopes to privatise the business next year and, stock market conditions allowing, raise a billion or so in ready cash. But very little has been said about Mr Cable's plans to nationalise the Royal Mail's pension fund where liabilities – or promises to pay 450,000 posties index-linked retirement incomes – currently exceed assets by a cool £8bn."

 [Supply Management](#) has reported that "Royal Mail wants to raise its prices for bulk business post to cope with a rapid slump in the mail market. The company has asked the postal services watchdog Postcomm to allow it to increase the price of its business mail products above the levels permitted in the existing price control. The price rise has been requested for one year only but would not apply to first and second-class stamps or non-bulk mail. The Federation of Small Businesses (FSB) said firms would be forced to swallow Royal Mail's price hike and suffer the consequences."


 [Helsinki Times](#) has reported that "Postal services may be delayed from Wednesday with the Post and Logistics Union (Pau) enforcing an overtime ban spanning about 22,000 workers. The union added that a 24-hour walkout had been scheduled to begin at the Turku sorting centre on 2 November. Esa Vilkuna, the Pau chairman, said decisions on further industrial action would be taken should the need arise. Read more: Postal workers' overtime ban may lead to delays."


 [Hellmail](#) has reported that "atvian Post has submitted for approval by the Public Utilities Commission, a rise in domestic parcel rates. It said that the price had not been reviewed for five years and now no longer covered the real cost of parcel post. The new tariffs, if approved will come into effect on 1 January 2011."


 [Computer Weekly](#) has reported that "Postal services regulator Postcomm is to be merged into Ofcom. Postcomm's regulatory responsibility and its staff will be moved to the communications watchdog. The announcement was made in the Postal Services Bill, which is to be debated by the House of Commons before being considered by the House of Lords. Business secretary Vince Cable said the move was necessary to combat Royal Mail's falling mail volumes and multibillion-pound pension deficit."


 The U.S. Postal Service has filed for a review before the [U.S. Court of Appeals](#) for the District of Columbia regarding the Postal Regulatory Commission [decision in Docket No. RM2009-3](#) concerning *Consideration of Workshare Discount Rate Design*

**October 18, 2010**

 [Press Release](#): "Fairrington Transportation announced today that Gregory S. Rocque, 51, has been named the new President of Fairrington Transportation Corp and its related companies. Victor G. Warren, founder, president and CEO will continue as CEO."


 [Newspaper & Technology News](#) has reported that "Quad/Graphics will install two new Goss Sunday web presses with DigiRail digital inking designed for the production of retail inserts, Goss International said today. The presses are slated to go into production next year."


 According to [Mobile Commerce Daily](#), "With the increasing ownership of smartphones, a survey from Lightspeed Research has shown the potential for a new boom in mobile shopping. The Lightspeed study found that 48% of mobile device owners surveyed made a purchase via their mobile phone. Although mobile shopping was most popular with consumers ages 18-34, more than one-third of those ages 55-plus have also made a purchase via mobile."


 According to [Kiplinger](#), "What to do with the U.S. Postal Service? It's drowning in red ink, with a deficit that ballooned to nearly \$8 billion for the fiscal year just ended last month. Operating costs are up and mail volume is in free fall in the face of electronic and other delivery options. Soon it may not be able to make payroll."

 From [Post & Parcel](#):

- [Roy Mayall: The Unsorting Office](#)
- [Austrian Post and Swiss Post](#) have formed a partnership on the delivery of international direct mail. The two postal operators signed an agreement on Friday (October 15) which will see them combine their international activities in the field of addressed advertising mail

 From [Canada NewsWire](#): "Canada Post announced today that it will continue to provide free delivery of letters and parcels from family and friends to Canadian troops deployed in Afghanistan and elsewhere overseas during the upcoming holiday season. This will be the 5th consecutive year that Canada Post has offered this service. Last year more than 25,000 parcels were forwarded to our Canadian troops an increase of 23 per cent over the previous year."

 [The Telegraph](#) has reported that "The postal service wants to raise an extra £100 million a year from so-called bulk mailers. They include banks and utility companies, who send out tens of thousands of letters and bills every day, to smaller businesses such as catalogue retailers, who rely heavily on the Royal Mail. The Federation of Small Businesses said such a request was unfair on thousands small firms, many of whom would struggle with higher prices, which could be passed on to consumers." See also the [BBC](#).

 [The Examiner](#) has reported that "Two female postal workers were shot at the U.S Postal Service office where they worked in Henning, Tennessee, a small town about 45 miles away from Memphis. The shooting took place around 8:30 AM. The women were apparently victims of an attempted robbery. A third postal worker, also a woman was able to escape." See also the [Associated Press](#).




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


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


- **The OIG Wants Your Help on Audits!** You can now assist our auditors during the critical planning phase of select audits through our newly-revised *Audit Projects* section of our website. [LINK](#) here to take our poll and share your thoughts.


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


- [Centralizing Business Mail Acceptance - 11BD004FF000](#). Our objective is to evaluate the Postal Service's efforts to centralize business mail entry points. Several types of postal facilities accept business mail ranging from business mail entry units that have specialized training and systems for accepting business mail to local Post Offices that do not have these systems and often have less training. We will review past efforts to merge these entry points, the impact on customers, and identify lessons learned. We plan to contact Postal Service Headquarters managers as well as area and district offices for more information on the current centralizations.
- [FY 2011 Meter Mail Refunds - 11BG001FF000](#). This audit's objective is to determine if the meter mail payments and refunds process can be more effective and efficient. Specifically, we will evaluate how customers obtain and pay for meters; how the Postal Service's collects meter mail revenue; the meter mail refund process; how customers present meter mail for verification; and assess the need for any updates to meter mail payment and refund policies.


 **At the Postal Regulatory Commission:** The [Association for Postal Commerce](#) has filed comments with the PRC regarding Docket No. MC2010-36 concerning "Transferring Commercial Standard Mail Parcels to the Competitive Product List."


 [Barron's](#) has reported that "The credit outlook for the U.S. newspaper sector is getting worse, Moody's asserted today, as it revised its outlook for the industry to negative from stable. The bearish stance reflects "a waning of recent moderation in advertising revenue declines," the rating agency said in a statement. According to Moody's, newspaper revenues are likely to drop 5%-6% this year, with a mid-single-digit drop next year, following a 22% decline in 2009."


 [Transport Intelligence](#) has reported that "DHL has invested over S\$6 million to develop two dedicated healthcare facilities in Singapore in order to meet the growing demand for regional distribution centre, local distribution to pharmacies and hospitals and secondary packaging services."

 [Road Transport](#) has reported that "Parcelforce has launched a palletised overseas delivery service to offer customers a cheaper rate where speed of delivery is not a priority. The parcel delivery arm of Royal Mail Group is offering customers a new product called Global Bulk Direct, which allows firms to package multiple overseas shipments into a single pallet, rather than sending each parcel individually. The pallet is broken down on arrival in its destination country, with individual parcels then dispatched to their final delivery point."

 The [Kokomo Tribune](#) has reported that "The U.S. Postal Service is beginning to hear from the public about the possibility of consolidating some Lafayette and Muncie operations into Kokomo."

 [LogisticsWeek](#) has reported that "TNT Post provided the trade unions with a comprehensive response to the letter sent by the unions on 7 September 2010. TNT Post submitted proposals that met the request made by the unions for reducing the number of compulsory redundancies of 4500."


 [Post & Parcel](#) has reported that "Australia Post has declared a pre-tax profit of AUS\$103m for the 2009/10 financial period, despite difficult economic conditions. The postal corporation's underlying pre-tax profit was AUS\$253m, but this figure includes a AUS\$150m provision for business restructuring and voluntary redundancy costs. A net profit of AUS\$89.5m was reported, whilst the company delivered a total of 5.14bn pieces of mail for the period."


 According to [Capitol News Connection](#), "To date during the 111th Congress, House members have expended enormous amounts of manpower and resources to craft, debate and pass 420 bills that the Senate has essentially




ignored, according to a list released by Speaker Nancy Pelosi's office. Other languishing bills include the **Postal Service Financial Relief Act**, the Elder Abuse Victims Act and the National Bombing Prevention Act.

*October 17, 2010*


 [Intelisent](#) has quoted from one of the USPS' electronic documentation rules: "Contingency: In the event of a USPS system or telecommunications network failure preventing Participant from transmitting (as communicated by USPS unscheduled outage notifications) or the Postal Service from receiving and verifying receipt of documentation under these terms and conditions, Participant shall submit hardcopy documentation of the mailings pursuant to the applicable requirements of the DMM and other USPS regulations or such other local process that may have been defined and approved by the USPS for the Participant's use." This is the same "contingency plan" that was used when PostalOne! was out for several days, wreaking havoc for mailers and the USPS alike. This plan did not work well, there is no reason to expect it to in the future. But, anyone signing the BSA Agreement will be signing off that this is A-OK. It isn't."


 [Pakistan Times](#) has reported that "Pakistan Post is providing a universal postal service network in line with Universal Postal Union (UPU) strategy. An official of Pakistan Post said that the aim of the network is to ensure secure and timely delivery of mail, money and material at affordable cost through utilization of people, process and technology and innovative product offerings. He said that Pakistan Post is providing postal services in every nook and corner of the country through a network of around 13,000 post offices. "Post is also providing delivery services to about 20 million households and businesses as community service without any cost considerations", he said. He said that in addition to its traditional role, the Pakistan Post also performs agency functions on behalf of Federal and Provincial governments, which inter-alia include Saving Bank, Postal Life Insurance, Collection of Taxes, Collection of Electricity, Water, Sui Gas and Telephone bills."


 [Sify Finance](#) has reported that "The Insurance Regulatory and Development Authority (IRDA) has allowed India Post to distribute insurance products as a corporate agent for domestic life, non-life, farm and health insurers. The new regulations bars India Post to act as a referral partner (sharing of database to insurers) of any insurance company. The new regulation will throw open the vast network of post offices numbering around 155,015 (urban 15,871 and rural 139,144) for distribution of insurance products. The insurance regulator has relaxed many of the conditions governing the corporate agents for India Post."

 From [Dead Tree Edition](#): "Congressman Issa: Where Are All Those Postal Supervisors? The response to an article two weeks ago that quoted Rep. Darrell Issa as saying one in seven U.S. Postal Service employees has stirred up an unprecedented amount of reaction."


*October 16, 2010*

 [TSRinfo.ch](#) has reported that "Full liberalization of the postal market will be postponed. By 9 votes to 1 against, the commission's telecommunications State Council endorses the proposal of the National delete this part of the current revision of the law."


 [Internet Retailer](#) has reported that "AFMS Logistics Management Group, a shipping consultant to retailers and other shippers, has filed a complaint in federal court charging United Parcel Service of America Inc. and FedEx Corp. of antitrust violations by refusing to work with AFMS and similar firms to revise rate contracts on behalf of shipping clients."

 From [Government Computer News](#): **Organization:** U.S. Postal Service's Information Technology Solutions division. **Project:** Full Service. **Challenge:** Capture Intelligent Mail bar code events and transform that data into useful information for Postal Service customers and USPS to create new services and provide insight into operations. **Solution:** Use new infrastructure and back-end processes to maximize the use of Intelligent Mail bar codes and scanners with six new systems and 11 enhanced systems to provide detailed mail information for customers and USPS. **Impact:** More than 30 billion pieces of mail scanned so far. **Duration:** Seven months for initial development. **Cost:** \$83 million.

 The [Sydney Morning Herald](#) has reported that "Australia Post has set aside \$150.2 million for redundancies over the next five years as it is restructured to reap more revenue from retail products, providing services for the government and logistics. The government-owned business returned record low dividends last financial year as profits were wiped out by an expensive restructuring program and the continuing decline in the number of letters posted."


 The [Elmira Star Gazette](#) has reported that "The U.S. Postal Service is notifying union officials about plans to eliminate nine clerk and five mail handler positions in Elmira by Jan. 15, officials said Friday. Karen Mazurkiewicz, postal service spokesperson for the Western New York District that includes Elmira, said the unions have been notified that some positions will be removed from the Elmira facility. "No individual employees have been notified. This is just the first step," she said. "In the coming weeks, we will have a discussion with the unions to talk about what the intent is of removing those positions."

 The [Postalnewsblog](#) has made available the latest Congressional Research Service report on USPS finances.

 In balloting that ended Oct. 14, [Cliff Guffey was elected the new president of the American Postal Workers Union](#), receiving 69 percent of the votes in a three-way race. Greg Bell garnered 75 percent of votes cast, to win the Vice Presidency.

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

- **PostalOne!® Scheduled Outage:** The *PostalOne!* web server environment will have hardware maintenance performed during the scheduled 4 a.m. – 8 a.m. (CDT) maintenance window on Sunday, October 17. The *PostalOne!* system (including FAST OPS web services) will be unavailable for internal and external users for both production and TEM environments.
- **Full-Service eDoc Verification and Assessment:** The November 2010 *PostalOne!* release will introduce a process for evaluation of electronic documentation (eDoc) for Full-Service mailings. The process will evaluate Full-Service electronic documentation (eDoc) for invalid Mailer ID, invalid Service Type ID, incorrect By/For information, incorrect Customer Supplier Agreement information and non-unique barcodes. On January 2, 2011, these errors will result in the loss of Full-Service discounts. Mailers should use the feedback to correct errors found during Full-Service verification prior to implementation of the Full-Service Discount Removal on January 2, 2011. Additional information can be found on [RIBBS](#) in the [PostalOne! Release 25.0 release notes](#).
- **Full-Service Feedback Webinars:** The next Full-Service Feedback webinar will be broadcast on Thursday, October 28 at 3 p.m. (EDT). This webinar explains the eDoc Verification process and Mail Data Quality reports. Log in information on the Webinars is posted on [RIBBS®](#) under [Intelligent Mail Latest News](#).

 "How 2's" for the USPS Business Customer Gateway – Going "e" [Join us for a Webinar on December 7](#) Space is limited. Reserve your Webinar seat now at: <https://www1.gotomeeting.com/register/489468681> "How 2's" for the USPS Business Customer Gateway – Going "e" Discover the basic facts of the United States Postal Service's Business Customer Gateway on Tuesday, December 7, 2010 1:30 – 2:30 Eastern. Join PostCom members Rose Flanagan, Data-Mail, Inc.; Lisa Bowes, intellisent; and Wanda Senne, World Marketing so you can be a part of the new e-evolution for mailing information that starts with the launching pad for the USPS "e" direction – the Business Customer Gateway.

**Mailers' Technical Advisory Committee (MTAC)** The Mailers' Technical Advisory Committee (MTAC) elected Industry Leadership provides the Postal Service Leadership each calendar

quarter with input referred to as the "Pulse of the Industry." Postal Service Senior Management views this as valuable information to help the Postal Service to be aware of latest issues, trends and concerns from the Industry's perspective - encompassing both the classes of mail (note: one is referred to as "At Large" which allows for flexibility) as well as the areas referred to as MTAC Focus Areas. This is to request that you provide this input directly to your elected MTAC Industry Leadership by November 12 - in time for the next MTAC Leadership Committee meeting on November 16.

Last March, when the PMG announced the Postal Service's plan for what he termed a "leaner, more market responsive Postal Service that can thrive far into the future," he challenged anyone with a vested interest in a viable postal system to put forth ideas to help the organization move forward. He has met regularly with customers and other stakeholders to bring them into the planning process. In August, you had your own "Innovation Symposium" and your ideas were added to those of CEOs from many of your organizations. The search for ideas continued on Sept. 15 — National Postal Customer Council Day — when the 200 local PCCs were asked for feedback on ideas. This past Wednesday, 140 stakeholders representing Congress, regulators, customers and USPS heard presentations from experts on the future of the mail and shared their thoughts in a format similar to the one you followed in August. Paul Vogel will be at the November MTAC meeting to provide an update on the process for evaluating the ideas.

Who's on first? [Check out the latest chart showing the organizational plan](#) for those reporting to the Deputy Postmaster General.



**At the Postal Regulatory Commission:** The Postal Regulatory Commission has posted on its site the calculation of the Consumer Price Index as it would apply to annual postal rate increases. The current cumulative CPI is: 1.685%.

- MC2010-36 Reply Comments of the United States Postal Service  
<http://www.prc.gov/docs/70/70515/USPSReplyComments.pdf>
- MC2010-36 Reply Comments of the Association for Postal Commerce  
<http://www.prc.gov/docs/70/70511/PComReplyMC2010-36.pdf>
- MC2010-36 Revised Response of the United States Postal Service to Question 11(c) of Chairman's Information Request No. 1  
<http://www.prc.gov/docs/70/70516/ChIR.1.Resp.Revised.pdf>
- N2010-1 Initial Brief of the United States Postal Service  
<http://www.prc.gov/docs/70/70517/FINAL.pdf>
- N2010-1 Initial Brief of Valpak Direct Marketing Systems, Inc., and Valpak Dealers' Association, Inc.  
<http://www.prc.gov/docs/70/70513/VP%20N2010-1%20Initial%20Brief.pdf>
- N2010-1 Public Representatives' Brief  
[http://www.prc.gov/docs/70/70514/FD\\_5.pdf](http://www.prc.gov/docs/70/70514/FD_5.pdf)  
[http://www.prc.gov/docs/70/70514/FD\\_5.docx](http://www.prc.gov/docs/70/70514/FD_5.docx)
- RM2010-14 Public Representative Comments in Response to United States Postal Service Request for Semi-Permanent Exception from Periodic Reporting of Service Performance Measurement  
<http://www.prc.gov/docs/70/70504/PR%20Comments.doc>  
<http://www.prc.gov/docs/70/70504/PR%20Comments.pdf>

*October 15, 2010*



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

- An issue brief by the Association of Postal Commerce's Vice President Jessica Lowrance explaining the current unused rate authority available to the Postal Service.
- Postal commentator Gene Del Polito has said, ". . . the battle is now over between the U.S. Postal Service and its customers over the Postal Service's desire to raise all postal prices by amounts that were greater than

the cumulative rate of inflation. Now everyone has got to begin facing the necessity of determining where things go from here.”

- According to Lyle Ryter, a longtime veteran of Capitol Hill, “the Postal Service and mailers share a permanent interest. Only by taking action to restore a close working relationship based on a common vision of what must be done, operationally and legislatively can an effective action plan to overcome the problems currently faced by the Postal Service and the mailer industry be successful.”
- An MTAC Update from Steve Kearney, MTAC Co-Chair and USPS SVP, Customer Relations answering questions on the flats deflection standards that went into effect October 3.
- Magazine ad pages grow 3.6% in 3Q. 80% of post offices losing money. Question posed to congressional candidates on the USPS. USPS liabilities are a colossal sham; OIG says USPS could recover \$142.5B. New MTAC workgroup.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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



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

[ReadWriteWeb](#) has reported that "Web-based invoices that give the recipient the option to pay online result in payments being made twice as fast as those that do not, according to data from Harvest, an online time-tracking and invoicing product. Based on a sample of data containing over 250,000 paid invoices from their system, Harvest found that the invoices that included the option to pay using PayPal were paid 16 days faster than those that did not, which took an average of 32 days."

According to [Akihabaranews](#), "Netflix has partnered with Dolby Digital Plus to deliver 5.1-channel surround sound for TV shows and movies streamed instantly over the Internet on the Sony Playstation3, making the PS3 the first consumer electronics device to support 5.1-channel surround sound on movies streamed from Netflix. More devices will support it in the future. Starting this month, PS3 owning Netflix users will no longer be required to use a disk as movie and TV content is starting to be streamed."

[International Business Times](#) has reported that "The Australia Post plans to take advantage of the digital mailing craze and in 2011 targets to open an online retail store. In a statement, the Australia Post said this would compliment their existing parcel service business, which delivered modest pre-tax profits at \$103 million, said executive Mr. Ahmed Fahour said today." See also the [Sydney Morning Herald](#).

The [Australian Broadcasting Corporation](#) has reported that "Australia Post has more than halved its annual net profit in 2009-10 as a downturn in letter volumes threatened the company's bottom line." See also the [Herald Sun](#).



- [Dow Jones](#) has reported that "Dutch postal and logistics company TNT and Guggenheim Aviation Partners LLC, said Friday that they have signed an agreement for the delivery and lease of three new Boeing(BA) 777-200 Long Ranger Freighters.

- [Dutch News](#) has reported that "post and express delivery group TNT is prepared to reduce the number of compulsory job losses at its post delivery arm to below 4,500, the company said on Thursday. The company is also prepared to take an extra six months to complete the reorganisation process, which will see the postal delivery workforce cut by the equivalent of 8,600 full-time jobs. The aim of the cuts is to reduce spending by €430m between now and 2017."

[Fresh Business Thinking](#) has reported that "Royal Mail have welcomed the Government's plans for rapid deregulation of the competitive postal services market and its intention to resolve the £10.3bn historic pension deficit. The company also welcomed the proposals in the Postal Services Bill to allow Royal Mail flexible and timely access to capital in future as it continues to invest in modernisation to provide customers with the services they want while at the same time protecting the one-price-goes anywhere Universal Service to the UK's 28 million homes and businesses. Moya Greene, Royal Mail Group Chief Executive, said: "Deregulation of the UK postal services market is long overdue and I'm delighted that the Government has made it clear that where there is competition, the shackles of regulation should be rapidly removed."

[The Daily Mail](#) has reported that "Postal staff in shock after three colleagues commit suicide in as many months."

[The Spectator](#) has a piece on "Privatization revisited."

[Geneva Lunch](#) has reported that "The upper house of the Swiss parliament's transport and telecommunications commission has agreed to back motions by the lower house that will slow down the deregulation of the Swiss postal system. The two houses have agreed that the ruling Federal Council should provide an interim report showing the impact of the first two years of deregulation before further measures to open the market are adopted."

[Advertising Age](#) has reported that "Economist and New York Times columnist Paul Krugman left marketers feeling a bit down when he suggested that the economy won't be turning around anytime soon."

[The Associated Press](#) has noted that "Small businesses got a reprieve when the U.S. Postal Service was told "no" in response to its request for a rate hike last month. But other shipping costs are going up, and that means owners need to find ways to save money on their mailings. FedEx has announced price increases that will take effect Jan. 1. And United Parcel Service is raising freight rates. That doesn't cover overnight letters and packages, but companies that need to ship by freight will be affected. And the Postal Service is in such financial trouble that it may still get its rate hike approved. It can appeal the Postal Regulatory Commission's denial of its request, or it can submit a new proposal. So small business owners need to think about how they can save when they send."

*October 14, 2010*

[WDBO](#) has reported that "Eight Central Florida workers were arrested Thursday and charged with felony mail theft after opening mail and stealing various items while working for the United States Postal Service, according to the Department of Justice. According to the indictments, these individuals opened mail and stole gift cards, debit cards, cell phones, vases and other valuable items." See also the [Orlando Sentinel](#).

[The Charleston Gazette](#) has reported that "OSHA has cited the U.S. Postal Service for exposing workers to potential electrical hazards at its mail processing facility in Huntington, W.Va. Proposed penalties? \$212,500." See also [WSAZ](#).

[Editor & Publisher](#) has told its readers to "Count the weekly Marion County (Kansas) Record as one of the first victims of the U.S. Postal Service's new "droop test" for periodicals. In a note to readers, Managing Editor Susan Berg said delivery of the paper to "will call" subscribers and of out-of-county mailed copies was delayed because of the new regulation."





**PostCom welcomes its newest member: [ALG Worldwide Logistics](#)** 254 International Parkway  
Bolingbrook, IL 60440 represented by Michelle Billmann Vice President, Postal Affairs





In a recent article published on [AmericaPost](#), postal commentator Gene Del Polito noted that "if postal change really is needed, then someone has got to start the ball rolling. As Isaac Newton once described the material world: "A body at rest tends to stay at rest. A body in motion tends to stay in motion." If you want the world to move its postal thinking, then someone's got to have the presence of mind to exert the necessary force."


 [Newsday](#) has published an "OPINION: Save the Postal Service by selling it."


 [APWU President William Burrus](#) has ridiculed assertions about the Postal Service that appeared in a recent column in the E-Commerce Times.


 The [Postalnewsblog](#) has reported that "The USPS has posted the following solicitation at FedBizOpps.gov: The United States Postal Service (USPS) utilizes a large array of material handling equipment (rolling stock including carts and dollies) during mail processing that we refer to as Mail Transport Equipment (MTE). This equipment is used for the staging and transportation of mail for downstream mail processing operations (intra/inter facility). The accurate and efficient labeling, identification, and tracking of this MTE is of the utmost importance."


 The [Lowell Sun](#) has told its readers that "When was the last time the Postal Service increased the price of a first class stamp? The question is topical since the Postal Regulatory Commission recently rejected a Postal Service proposal to boost the price by 2 cents and since Sunday's editorial characterized it as "another interminable increase." The Sun was also critical of Postal Service efforts to control costs and pointed out that in the first quarter of this year, the agency posted a loss of \$3.5 billion."


 The [Belfast Telegraph](#) has reported that "Postal unions warned of job losses after the Government unveiled its controversial plans to privatise the Royal Mail, revealing there would be no upper limit on how much of the business will be sold to a company."

 According to [Third Sector](#), the UK "Government asks voluntary sector to develop plans to mutualise the Post Office."


 According to the [Londonderry Sentinel](#), "government proposals to privatise Royal Mail will prove "deeply unpopular" with people in Londonderry."

 [Post & Parcel](#) has reported that "Austrian Post and BAWAG P.S.K. have launched a collective strategy to create a sustainable network of postal and banking branches throughout Austria."

 [Professional Pensions](#) has noted that "The government has announced it will set up a new public Royal Mail pension scheme – the liabilities of which are to be met by the taxpayer." See also [Employee Benefits](#).

 The [Guardian](#) has reported that "Fifteen business-linked quangos are to be scrapped, including those covering aircraft and shipbuilding and a trade union modernisation fund, although most have already been announced. The Business Department said a further six bodies will be merged, 21 will be retained and nine are being given further consideration. The merger of postal regulator Postcomm into Ofcom was also confirmed, to form a single communications regulatory body." See also the [Wall Street Journal](#).

 **From the Federal Register: Postal Service** [NOTICES](#) International Product Change: Inbound Expedited Services 4 , 63215 [2010–25911] [\[TEXT\]](#) [\[PDF\]](#)

 According to [Dead Tree Edition](#), "In an attempt to hold down next year's increase in postage rates, an alliance of mailers today challenged as "nonsensical" an informal ruling issued by a Postal Regulatory Commission lawyer."


 The [National Association of Major Mail Users](#) has reported that:




- [Canada Post will anchor a new direct marketing network](#) that will connect advertisers and consumers at a local level. Using the successful model introduced by CentrSource, the new service will leverage proven digital marketing practices to deliver local offers and advertisements in a real-time online environment. For consumers, the service will improve their online shopping experience by serving up time-sensitive local offers, promotions, coupons and events. Consumers will be able to customize their profile to ensure they only receive information that is relevant to them, based on their preferences and location. Advertiser fees will be determined by how well their ads perform, and not by the total number of impressions.
- **Paper Is Effective And Has Value.** That is why Domtar has launched the PAPER because campaign – to highlight the key role paper plays in our lives and the reasons why it is an environmentally sound choice. Through this campaign they address the common misperceptions about paper and showcase the reasons why paper is a truly fantastic product. Paper is good – pass it on. Learn more: [www.paperbecause.com](http://www.paperbecause.com)

*October 13, 2010*



 The [Market Financial](#) has asked: "What if We Replaced the US Postal Service Two Years from Now?"


 [Vadvert.co.uk](#) has reported that "Royal Mail has launched an updated Home Movers Mailing Service, which has been enhanced with additional insight and is directly available to resellers for the first time, enabling advertisers to tap directly into the spending power of home movers. The service is being made available to resellers and clients directly for the first time, allowing companies to screen their customer database against those who have relocated to prevent duplication of database records, as well as identifying valuable new prospects who have moved to a new area."


 According to [Multichannel Marketing](#), "since the Postal Regulatory Commission rejected the U.S. Postal Service's request for an exigent rate case, can small parcel companies breathe a sigh of relief? Well, not for too long, according to an industry expert."


 [FedEx](#) welcomes the Commerce Secretary and U.S. Trade Representative to visit FedEx Express Memphis super hub and discuss how trade can strengthen the economic recovery.

 **At the Postal Regulatory Commission:** "[Response](#) Of The Affordable Mail Alliance To October 6 Letter-Petition Of The United States Postal Service And October 12 Letter-Ruling Of The Office Of General Counsel"

 [Federal News Radio](#) has noted that "the Postal Service Inspector General's office has some specific details about how the Postal Service can get back-to-black. Lorie Nelson told Federal News Radio, the Office of Inspector General has thoughtfully combined details from four reports into one to try to help. [Lorie Nelson, Director of Financial Reporting, Office of Audit, Office of Inspector General, USPS [Listen to the interview](#)] 


 [Investments & Pensions Europe](#) has reported that "The UK government has confirmed it would split the Royal Mail Pension Plan (RMPP), reducing it to around one-tenth of its current size, in an effort to tackle the scheme's £8.4bn deficit. The proposals, which come as part of the new Postal Services bill, would see the Royal Mail partially or fully privatised, while the Post Office would be turned into an employee-owned mutual."


 As the [Wall Street Journal](#) has noted, "The U.K. Government Wednesday took the first step towards privatizing the national postal service. . . . The decision is likely to prove controversial. Several previous governments have backed away from privatizing the postal service fearing a public backlash, and labor unions are likely to threaten strikes in protest at a time when the current government is facing wider labor union unrest due to public spending cuts. The government maintains that only privatization will provide new funds to complete the modernization of the service and reduce the burden on the taxpayer." See also the [Financial Times](#).


 The [UK Press Association](#) has reported that "Postal unions have warned of job losses after the Government unveiled its controversial plans to privatise the Royal Mail, revealing there would be no upper limit on how much of the business will be sold to a company."


 [Politics.co.uk](#) has reported that:


- [Vince Cable](#) has outlined plans for the privatisation of Royal Mail amid anger from unions. The business secretary detailed the proposals of the Postal Services Bill in the Commons today, and indicated that 90% of Royal Mail will be opened to private buyers after next year. The remainder would be offered to staff in what Dr Cable described as the largest example of employee participation envisaged. **As for Royal Mail's deficit-laden pension fund, this will be taken on by the government.**
- [Paul Reuter](#), Unite national officer said: "The privatisation of Royal Mail is unnecessary as the business has already reached agreements with the unions to modernise which is currently happening. "The Postal Services Bill shows that the government has no idea how to implement its policy of a sell-off. There is little interest in the market for a high value sell-off and the population of the UK already owns the Royal Mail. "We are currently experiencing job cuts, under privatisation this would get even worse. "If private equity takes an interest in Royal Mail this will only be for short-term profit through asset stripping. They are not in business to provide a public service, they are out to make money, pure and simple."


 According to the [Morning Call](#), "The U.S. Department of Education warns states not use regular mail to send grant applicants because its unreliable. The education department's January 2010 school improvement grant application says: "Due to potential delays in processing mail sent through the U.S. Postal Service [state education agencies] are encouraged to use alternate carriers for paper submissions."

 **Press Release:** "BCC Software, a BÖWE BELL + HOWELL company and a leading developer of high-performance postal and data quality technology solutions that optimize client communications, will hold an [Open House](#) this month at its national headquarters in Rochester, NY. The free event – scheduled from 3 until 6pm ET on Thursday, October 28 – is open to all print-to-mail professionals interested in sharing their thoughts on the latest mailing news and issues, and who would like to learn more about BCC's operations, solutions, and perspectives on the "future of postal." Advance registration is required. Visit [www.bccsoftware.com/whybcc/openhouse.aspx](http://www.bccsoftware.com/whybcc/openhouse.aspx) to reserve a seat, and for directions to the BCC facility.

 According to the [Charleston Gazette](#), "The U.S. Postal Service is studying the feasibility of consolidating mail processing operations in Martinsburg with a processing center in Maryland."

 The [BBC](#) has reported that "A lack of demand for postal services in Jersey could result in a change to the post office's role. Jersey Post's chief executive Ian Carr has said the company is handling ten million fewer items than last year. It has carried out a public consultation into the future role of the post office, claiming it cannot afford to keep the service it has now."

 From [PRNewswire](#): "Authentidate Holding Corp., a worldwide provider of secure health information exchange, workflow management services and telehealth solutions, today announced that it has entered into definitive agreements for the purchase of \$5.0 million of units of its securities in a private placement financing with a select group of institutional and accredited investors. In the aggregate, the company will sell 1,250,000 units consisting of a total of 7,500,000 shares of common stock, 1,250,000 shares of Series C 15% Convertible Redeemable Preferred Stock, and warrants to purchase an additional 6,250,000 shares of common stock at a price of \$4.00 per unit. Each unit consists of six shares of common stock, one share of Preferred Stock and five warrants. The company has offices in the United States and Germany. In the United States, Authentidate offers its patent pending content authentication technology in the form of the United States Postal Service® Electronic Postmark® (USPS EPM®)."

 The [Vancouver Sun](#) has reported that "The Canadian Union of Postal Workers is holding a "day of action" Wednesday as it gives formal notice to Canada Post to begin contract negotiations on behalf workers at its urban operations. The contract for these workers expires Jan. 31, 2011. The union is currently negotiating on behalf of its suburban and rural carriers, whose contract expired Dec. 31 last year." See also [Digital Journal](#).

🇨🇦 From [Marketwire](#): "The time has come for Stewart Bacon, President and CEO of Canada Post to take a clear and unequivocal stand against antisemitic hatred and lies. Friends of Simon Wiesenthal Center for Holocaust Studies (FSWC) says the planned appearance of Canadian Union of Postal Workers (CUPW) President Denis Lemelin at an upcoming anti-Israel rally in Montreal makes it appear as if Canada Post supports his participation in the Boycott, Divestment and Sanctions conference."

🇬🇧 According to [Management Today](#), "today's Times quotes a new report suggesting that the bits of the Royal Mail likely to be sold off could be worth as little as £700m. At that price, it isn't exactly going to solve the Treasury's financial worries at a stroke... The valuation quoted by the Times comes from Trova Consulting, a corporate advisory firm, and it's significant because it's the first independent assessment of the Royal Mail's worth. Trova reckons that if the Royal Mail has to cut jobs, and this leads to strike action which accelerates the decline of letter volumes (by no means implausible), the letters business could be worth as little as £360m. Even if you throw in £2bn for its European courier business GLS, and another £350m or so for Parcelforce, that's a total value of about £2.7bn. Strip out the £2bn of Government-backed debt, and that leaves you with a figure of about £700m." And so it asks, "Is the Royal Mail worth privatising? "

🇬🇧 According to [Mortgage Solutions](#), "The Government has today put forward a proposal that could see Post Office Ltd turned into a mutual, giving power to staff, sub postmasters and communities. The Postal Services Bill, which will be debated by Parliament in the coming months, proposes powers to transfer ownership to a mutual." See also [SkyNews](#), [Reuters](#), and the [Wall Street Journal](#).

🇺🇸 [Advertising Age](#) has reported that "The Interactive Advertising Bureau confirmed on Tuesday what many, at least anecdotally, thought to be true: The online ad recovery is in full-swing, with first-half revenues up 11.9% over the same period of 2009." [EdNote: *In the postal arena we're hoping soon to exhale.*]


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


- The [Federal Reserve](#) minutes released Tuesday left currency investors with two take-aways: U.S. officials are determined to push the dollar lower, and the griping from everyone else is likely to continue. The minutes, which showed surprisingly broad support among Fed policy makers for a stimulus effort, erased a mild bounce the dollar had been enjoying. The currency approached a new 15-year low against the yen. The euro, meanwhile, rose from Monday's \$1.3873 to again close in on \$1.40. [EdNote: *Time to get your international act together. A lower dollar means it's easier to sell in international markets. Christmas is coming. Get your international businesses in gear.*]
- Many of the [largest U.S. municipalities](#) are understating the true size of their pension obligations by using inappropriate accounting methods, leading to \$574 billion of unfunded pension liabilities, according to a study released Tuesday. Those unfunded pension benefits are in addition to \$3 trillion of unfunded liabilities that the study's authors have said exist among state pension plans. [EdNote: *Not so for postal. We overfund everything. Then we make mailers beg to put the overfunding to rationally stimulate the postal-based economy.*]


🇮🇸 The [Jerusalem Post](#) has reported that "Israeli Postal Company CEO Avi Hochman met with Communications Minister Moshe Kahlon to offer his resignation on Wednesday."


🇺🇸 According to [OCK](#), "Many banks are dividing customers and offering the best deals to those with access to online banking, new figures have suggested. According to recent research conducted by Which?, a customer using online banking could be around 37 per cent better off each year than those with branch-only arrangements. However, there are currently around ten million people in the UK who do not have internet access or cannot afford to be online, raising concerns that they are being treated unfairly by banks. Furthermore, others actively choose not to conduct their finances via the internet, with concerns about online security being one of the main reasons cited for this."


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


 According to Bernard Delpit, French La Poste's CFO, the company will make some acquisitions in the course of its investment programme 'Ambition 2015.' Altogether La Poste plans to invest 8.7bn euros until 2015. This amount is to be raised by a capital increase of 2.7bn euros (CEP-News 40/10), real estate sales (1.1bn euros) and increased revenues and earnings.


 Norway's Government has commissioned a study to assess the likely impacts of an implementation of the Third Postal Directive in Norway. The study (covering Germany, the Netherlands, New Zealand, Sweden and the UK) concludes that changes in postal sector wages and employment conditions are driven by a combination of factors. More automation and lower mail volumes, liberalisation and increased competition would put pressure on postal sector wages and employment conditions.


 Spanish Correos plans for the next year a total revenue of almost 2.2bn euros.

 Dutch business secretary Maria van der Hoeven confirmed that TNT received millions of euros from the European Social Fund (ESF) for the retraining of its posties.


 The sale of the 32% stake in Pos Malaysia, currently held by state owned investment trust Khazanah Nasional, will be delayed.

 According to Greece's finance minister George Papaconstantinou several companies have shown their interest in acquiring a stake in the greek post Elta.


 68% off the French population bought at least one article online this year. The most popular items were books and clothes. The most important criteria when buying were the range of products offered, the price, transport fees and support in the event of disputes.

 France's Socialist Party demanded to hold a national referendum about La Poste's future.

 14 airlines will transport international shipments for Spanish Correos in the next two years.

 PostFinance and Nestlé have joined forces in the online shopping segment.

 CTT Correios plans to expand into Spain and Portuguese speaking countries.


 The reorganisation of Japan Post which has been announced at the beginning of the year will be delayed until 2012. Last week the government approved a bill to restructure the current five-company system to three again - postal services, postal savings bank and insurances.





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.)*




[Transport Intelligence](#) has reported that "DHL has announced that it is to use several local companies to upgrade sorting technologies at its Express US hub at the Cincinnati/Northern Kentucky International Airport (CVG). The \$12.5 million project will upgrade many existing hardware and software applications running its auto sort system, improving the speed and reliability of shipment scanning and sorting as volumes grow at DHL's US Express hub at CVG."


 [The Mirror](#) has reported that "THE Post Office has revealed plans to axe 300 head office managers."


 [The Sun](#) has reported that "ROYAL Mail will crash into bankruptcy unless it is privatised, Vince Cable warns today."


 The [BBC](#) has reported that "The exact way in which the government intends to privatise the Royal Mail will be announced later when it publishes its Postal Services Bill. It comes after Business Secretary Vince Cable confirmed last month that a new private firm would be formed to run sorting and delivery operations. Royal Mail staff will be offered at least 10% of the shares in the company, but unions oppose the privatisation. Continue reading the main


story Related stories Post workers to get 10% of shares Royal Mail sell-off is confirmed The Post Office network will not be included in the sell-off."

 [The Telegraph](#) has noted that "George Thomson, the general secretary of the National Federation of Subpostmasters, is telling his 12,000 members in a letter this week that the privatisation plans jeopardised the future of the Post Office." See also [The Guardian](#).


 [AllAfrica.com](#) has reported that "The Nigerian Postal Service (NIPOST) in Plateau State has indicated its readiness to partner with secondary schools to check failure in English Language. The Area Postal Manager in the state, Mr. Alex J. Bature, who disclosed this at an event to mark this year's World Postal Day in Jos, said NIPOST is willing to partner with schools to enhance students' performance in English language."

 **From the Federal Register: Postal Service NOTICES** Product Changes: Express Mail Negotiated Service Agreement , 62896 [2010-25605] [\[TEXT\]](#) [\[PDF\]](#) Priority Mail Negotiated Service Agreement , 62896 [2010-25607] [\[TEXT\]](#) [\[PDF\]](#) 62896 [2010-25610] [\[TEXT\]](#) [\[PDF\]](#)


 According to [Dead Tree Edition](#), "Postage rates are likely to increase about 1.7% in January as a result of a letter that the Postal Regulatory Commission's chief lawyer issued today."

 Recent patents filed by the U.S. Postal Service:


- United States Patent 7,813,896 - A method of analyzing the operation of a delivery system. The method includes: determining a seeding plan; placing a seed piece into the delivery system; tracking the seed piece through the delivery system to generate tracking data; storing the tracking data in a central repository; and analyzing the tracking data to determine one or more faults.
- United States Patent Application 20100230328 - Systems and methods using intelligent barcodes for processing mail, packages, or other items in transport are provided. Systems and methods allowing end-to-end visibility of a mail stream by uniquely identifying and tracking mail pieces are also provided. Systems and methods include the use of standardized intelligent barcodes on mail pieces, a seamless process for mail acceptance, continuous mail piece tracking, and feedback on mail quality in real time. In one embodiment, systems and methods using intelligent barcodes allow a mailing service to provide enhanced acceptance, sorting, tracking, address correction, forwarding, and delivery services. In another embodiment, systems and methods using intelligent barcodes allow a mailing service to identify a mail piece as undeliverable-as-addressed (UAA) and determine a final disposition for the mail piece. In yet another embodiment, systems and methods using intelligent barcodes allow mailers more visibility into the mail stream and information on the quality of their mailings.


 According to [Lyle Ryter](#), a long-time veteran of Capitol Hill and current chief staff executive of the Association of Priority Mail Users, "The Postal Service and mailers share a permanent interest. Only by taking action to restore a close working relationship based on a common vision of what must be done, operationally and legislatively can an effective action plan to overcome the problems currently faced by the Postal Service and the mailer industry be successful."


*October 12, 2010*

 **At the Postal Regulatory Commission:** The [Postal Regulatory Commission](#) has responded to an inquiry from the U.S. Postal Service regarding the rule that governs the application of the CPI cap to market dominant products. The PRC said, "Commission Rule 3010.2(a) establishes Type 1-A rate filings to allow the Postal Service to adjust rates within the annual price cap limitation established in 39 U.S.C. 3622(d)(1)(A). That limitation is **the change in CPI "over the most recent available 12- month period preceding the date the Postal Service files notice of its intention to increase rates"**. The annual limitation that applies in Type 1-A rate filings is computed in accordance with Rule 301 0.21 . The current limitation is updated monthly and published on the Commission website, [www.prc.gov](#), at [CPI\(PDF\)](#)."




 [B2B](#) has told its readers that "Brand experts are giving mixed reviews to United Parcel Service of America's new global brand campaign, "We Love Logistics," saying the concept of logistics is a tough one to sell. "We Love Logistics" replaces UPS' "What can Brown do for you?" tagline and its more recent "Whiteboard" campaign in the U.S., as well as its "Deliver More" campaign outside the country. The integrated campaign, including TV, print, radio, online and out-of-home ads, was developed by Ogilvy & Mather Worldwide, New York, which was named agency of record for UPS' global advertising business last year. Its previous shop was the Martin Agency, Richmond, Va. The campaign budget was undisclosed."

 According to [DC Velocity](#), "For the past year, a quiet war has been waged between the two giant parcel carriers, FedEx Corp. and UPS Inc., and a cluster of self-styled parcel consultants whose mission for nearly a quarter of a century has been to help their clients save money when shipping with one or both of the behemoths. The stakes are high, but they are completely lopsided. It is no secret that FedEx and UPS would rather work directly with shippers than through third-party specialists who have a deep knowledge of how the carriers price their services, and who use that know-how to help their customers save money. Yet if consultants remain in the game, it won't cause the two companies—with more than a combined \$80 billion in annual revenue—to wonder where their next meals are coming from."

 The [Jersey Post](#) has reported that "a petition containing more than 2,000 signatures urging ministers not to cut postal deliveries to three days a week was due to be handed to the States today."

 According to one commentator for the [National Post](#), "CUPW's radical politics and anti-Israel bigotry are a disgrace to letter carriers." [*EdNote: You gotta wonder sometimes what exactly does CUPW's Jewish-focused vituperation have to do with providing a cost-efficient mail service?*]

 According to the [San Gabriel Valley Tribune](#), "The U.S. Postal Service is launching another study to determine if it can move outgoing mail operations at its Valley processing center to Santa Ana or Los Angeles."



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

- [Review of Wilkes-Barre, PA, Processing and Distribution Facility Consolidation \(Report Number NO-AR-11-001\)](#). We assessed the operational impacts of the consolidation and determined that a valid business case existed for consolidating mail processing operations from the Wilkes-Barre Processing and Distribution Facility (P&DF) into the Scranton P&DF and the Lehigh Valley Processing and Distribution Center (P&DC). Additionally, the Postal Service followed established Area Mail Processing policies and guidelines.
- [Southeast Area Processing and Distribution Center Consolidations \(Report Number EN-AR-10-006\)](#). Southeast Area management has aggressively pursued partial P&DC consolidations, but none that resulted in a facility closure. Between July 1, 2008, and July 1, 2010, they completed eight partial consolidations and approved one additional consolidation for implementation. Independent modeling and extensive coordination with management validated many of the consolidations either implemented or approved, but also indicated the potential for a full consolidation opportunity at the Daytona P&DF. Additionally, significant excess space exists for consolidation or alternate use at the Birmingham P&DC.

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




- **Electronic Postage Statements – Boon or Bust?** This week's [blog](#) looks at the PostalOne! system and electronic postage statements. Do you think business mailers benefit from submitting postage statements electronically? [LINK](#) here to take our poll and share your thoughts.


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


- **[Review of Postal One! Mail.dat input validation 10RG017CRR001](#)**. For this project, we are reviewing the Postal Service's Field Testing and Control's (FTC) testing of key financial controls. Specifically, we are reviewing FTC's testing at selected Post Office and Business Mail Acceptance sites to determine FTC's accuracy in performing and reporting their review results.
- **[Imprudent Expenditures Follow-Up - 10BG007FF000](#)**. We will be conducting follow-up work related to our previous report "Imprudent Purchases and Management Instruction on Expenses for Internal and External Events" (report number FF-AR-10-025) to determine whether imprudent purchases are still occurring. This nationwide audit will look at purchases of food, gift cards, incentive gifts, and other purchases from the Accounts Payable Excellence system and SmartPay. Employees with purchasing responsibilities are encouraged to provide feedback below.
- **[Project: Global Express Guaranteed - 11BD002FF000](#)**. We'd like feedback from Postal Service employees and Global Express Guaranteed (GXG) mailers. We are obtaining background information and identifying the issues pertaining to the volume of GXG mail that are not moved by FedEx. (GXG is the premium international shipping option with international transportation and delivery by FedEx.) Specifically, we are reviewing the controls associated with GXG mail handling by U.S. Postal Service and FedEx. The objective of our audit is to evaluate GXG mail processing and accounting controls.


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


**A new MTAC Work Group (WG) # 141.** Issue Title: Spoilage and Shortage Reporting and Postage Reconciliation. The workgroup will identify the business needs for reporting piece spoilages or shortages occurring within business mailings using either hard copy or electronic postage payment processes. The work group will develop consistent standard operating procedures for the handling of spoilage and shortages during the verification and acceptance, postage payment and mail induction processes. The workgroup will identify the business processes for reporting and reconciling spoilage/shortages using hard copy procedures. The workgroup will identify the business processes, at a level sufficient to develop information system requirements, for reporting and reconciling spoilage/shortages using electronic mailing information supported by the USPS.


 According to the [Daily Caller](#), "If you believe in a higher power, then I've got evidence for you that God has a sense of humor. Last week, the American Postal Workers Union, which represents more than 200,000 workers, had to extend its elections for national officers because...wait for it...thousands of ballots got lost in the mail. The irony is amusing, but what isn't funny is the financial condition of the U.S. Postal Service. A big drag on the USPS's bottom line is the pesky postal unions."


 The [Postalnewsblog](#) has told its readers that the "Economist" who predicted Dow 36,000 tries his hand at postal finances."


 [Euronews](#) has reported that "The government and unions are disputing turnout in today's general strike, the fourth in five weeks, called to protest against President Nicolas Sarkozy's pension reforms. The government says 16.5 percent of postal workers have stayed at home, the unions claimed 30 percent."


 According to [Main Line Media News](#), "A letter sent out from the United States Postal Service (USPS) explaining a feasibility study now under way at the Southeastern Pennsylvania Processing and Distribution Center, 1000 W. Valley Road, Wayne, has led to some confusion and unanswered questions. The letter says the USPS is facing a historically difficult challenge due to the economic downturn and the decrease in certain mail volumes. Due to this challenge, the Postal Service has decided to "realign its processing and delivery network to match its resources with mail volume," and that "consolidating some postal operations only makes logical business sense." Upon receipt of this letter, buzz around town has some residents concerned that the feasibility study being conducted at the center will close that post office even though it's constantly busy with long lines of customers. According to Cathy Yarosky, the USPS media contact for the Philadelphia area, there are no plans to close the post office and the possible changes being considered would not affect residents."


 [Bloomberg](#) has reported that "Bank Pocztowy SA wants to delay its initial public offering by about six months after publishing 2011 first-half results, rp.pl reported, citing Deputy Chief Executive Officer Szymon Midera. Poczta Polska SA, the Polish state-owned postal company, owns 75 percent of Pocztowy, and PKO Bank Polski SA, Poland's biggest bank, owns 25 percent."

 [Post & Parcel](#) has reported that "Parcelforce Worldwide has launched a new tracked exports service for UK businesses. Global Bulk Direct allows businesses to package multiple overseas deliveries into a single pallet, rather than sending each one separately. Parcelforce Worldwide said the new service will help customers achieve "significant cost-savings, without compromising on security or losing tracking capability". The service allows exporters to send multiple parcels with different addresses in the same country on a single pallet. Each pallet is broken down on arrival, with individual parcels then despatched to their respective addresses. Parcelforce Worldwide said delivery takes between two and eight days, whilst businesses receive the benefits of priority services such as product tracking and signature on delivery."

 [Hellmail](#) has reported that "Ed Davey, Minister for Employment Relations, Consumer and Postal Affairs, said today that not only was the Royal Mail in a mess, the Exchequer had no money and privatisation was the only option."


 [Media Daily News](#) has reported that "Total consumer magazine ad pages increased 3.6% in the third quarter compared to the same period last year, rising from 38,985 to 40,388, according to the Publishers Information Bureau. This was the second quarter in a row where the industry saw ad pages increase. However, year-to-date ad pages are still down 1.6% to 118,717 in the first nine months of the year. Total rate-card revenue increased 5.3% from \$4.54 billion in the third quarter of 2009 to \$4.78 billion this year, contributing to the year-to-date total increase of 2.6% to just over \$14 billion."


 From [Transport Intelligence](#): "The road freight sector has been amongst the hardest hit in the transport industry in Europe. The industry has had to cope with the global downturn which resulted in lower consumer demand and reduced production especially in sectors such as automotive. However, even though the economy has picked up, it faces challenges ahead including additional regulations and cost fluctuations, especially from the volatile price of fuel. Ti's brand new report – [European Road Freight 2010](#) - is packed full of qualitative analysis and quantitative data which will give you an all-round understanding of the European freight market."

 Marketforce's 9th annual [The Future of UK Postal Services](#) conference is taking place during a period of significant change within the UK postal sector. With Royal Mail's privatisation on the horizon, a new draft of the Postal Bill expected shortly, continuing e-substitution and increasing competition, there is plenty to talk about. [View the conference programme](#)


 [Postal Technology International](#) has reported that "At Post-Expo 2010 Escher Group announced that Botswana Post has chosen the company to help deliver a more efficient postal service for postal users in Botswana."


*October 11, 2010*


 [PIWorld](#) has reported that "IWCO Direct, a leading national provider of direct marketing solutions, demonstrated its commitment to creating value for direct mail customers in the area of postage optimization and distribution with the installation of three Siemens Paramount delivery barcode sorters at its Hamburg, PA, facility. The installation brings a total of five delivery barcode sorters to the facility, which help customers reduce postage costs by commingling mail into common mail trays and are designed to sort the most difficult mail pieces required by today's leading direct marketers."

 From *Business Wire*:

- [Pitney Bowes Inc.](#) is hosting a series of U.S. Customer Summits at its mail services facilities from October 12 through December 14. The "Customer Appreciation and Mail Innovation Summits" will take place at 34 Pitney Bowes Mail Services locations throughout the U.S. The events will offer educational seminars for customers on important mail industry developments, and practical solutions to help maximize productivity and decrease postage costs. In addition, customers will be able to see Pitney Bowes's latest technology and solutions in action for its domestic presort services and international mail services.
- [GrayHair Software, Inc.](#), the industry leader in services for business mailers, announced the release of Select Solutions™, an upgraded and expanded new solution platform. Selection Solutions is a comprehensive, cloud-based platform providing mailers the ability to select and execute a customized set of services. Select Solutions combines GrayHair's current industry-leading products and addressing services into a single, online source that combines best-in-breed features, enhancing a business mailer's chance of delivery and ensuring optimal postal processes and discounts. Select Solutions provides a centralized location for real-time provisioning and administration of services for mailers. It allows company decision makers to remove their dependency on old world software and hardware and move towards the inevitable innovation that is the cloud. Before this concept existed, GrayHair was already building its services in the cloud - via a virtual platform or as managed services."


 [People's Daily](#) has reported that "With the theme "With a Dream to Build Our New Great Wall," the launching ceremony of a large cultural activity, "A Century of Expos, A Decade of Imagination," was held in Beijing on Sunday. The activity was jointly organized by the Red Cross Society of China, China Post and the China Red Cross EXPO Love Foundation. It is designed to allow each person with dreams to write a letter to themselves or their relatives and friends, recording their dreams, desires, wishes or agreements."


 [Romania Business Insider](#) has noted that "Mark Mobius, the head of emerging markets for Franklin Templeton, who is perceived worldwide as an investment guru, believes the greatest potential in Romania can come from privatizing companies in the energy sector. The transportation sector also appears to have important potential in the long term, as do postal services, he writes in a recent post on his blog, where he usually covers the markets where he sees potential or comments the latest developments on some other markets."


 UK MP Ed Davey has told the readers of the [Hounslow Chronicle](#), "I was a management consultant before you elected me in 1997. Back then, I specialised in postal services: I worked for the equivalent of Royal Mail in various countries – including Sweden, Taiwan, Belgium and South Africa. So for me it's exciting now to be the Minister responsible for reforming two great British institutions – Royal Mail and the Post Office. This week the Government will publish plans to privatise Royal Mail and later on our plans to reform the Post Office – which will not involve a sale. We have different strategies for Royal Mail and Post Office because they are different businesses: Royal Mail collects, sorts and delivers billions of physical items to 28 million addresses UK-wide. The Post Office is a franchised network of 11,500 retail offices (97% of which are privately run now!) where the public benefits from services like obtaining pensions and weighing parcels. So what are our plans?"






["Electronic Postage Statements – Boon or Bust?"](#)


 [TheStreet](#) has reported that "Consumers want more than a movie or videogame disc in their mailboxes. According to a recently released research study produced in cooperation with the Direct Marketing Association (DMA), DVDs and Compact Discs are a preferred form of direct marketing that yields significantly higher results than print media and email. The study, sponsored by DiscMail Direct, an industry coalition of manufacturers, packagers and creative services companies involved in the use of optical media."


 The [New Statesman](#) has reported that "Some of the UK's major consumer protection agencies are reportedly being axed as part of the Coalition government's quango rationalisation plan including the Office of Fair Trading, Consumer Direct and Consumer Focus - which was established by the last government. The activities of the quangos, will be handed over to Citizens Advice, a network of independent British charities and local Trading Standards offices, which will advise consumers and monitor energy and **postal suppliers**, according to the mandate received by Cable's team from cabinet minister Francis Maude."


 The [Mainichi Daily News](#) has reported that "Japan's highest prosecutors office indicted on Monday a former Osaka prosecutor, who led a bungled criminal investigation into a postal discount system abuse case, for tampering with data on a floppy disk seized during the probe. The Supreme Public Prosecutors Office indicted Tsunehiko Maeda, 43, on charges he fiddled with data on the disk -- a piece of evidence -- on July 13, 2009, so that its content would work to the advantage of the prosecution team in pursuing the case. Maeda is charged with rewriting the data-update date of a file on the disk to June 8, 2004, from the original June 1, 2004, by using a personal computer and a sophisticated file-editing software, according to the indictment."


 [Federal News Radio](#) has noted that "Saving the U.S. Postal Service from bankruptcy could be as simple as an act of Congress. The Inspector General for the Postal Service recently issued a series of reports on how the agency can beef up its bottom line. A big part of that is recovering the billions of dollars in overfunding to the Civil Service Retirement System. But for that to happen, lawmakers must take action, and soon." Congressman Gerry Connolly of Virginia (D) [Listen to the interview \[mp3\]](#) 


 In his latest [Chronicle and Informer](#) column, Business Secretary and Twickenham MP, Vince Cable, spells out the financial crisis facing the Royal Mail.


 [The Star](#) has reported that "The planned divestment of Khazanah Nasional Bhd's 32% stake in Pos Malaysia Bhd is taking longer than expected due to negotiations surrounding the Government's "golden share" in the company, banking sources said. "They (the Government) are grappling with how to deal with watering down the golden share, which is what potential bidders want," one banker familiar with the situation said. Golden shares are typically held by the government, giving it veto power in major decisions of the company."


 According to one writer for [Bloomberg](#), "To understand where the advocates of big government will take this country, look at the U.S. Postal Service."


 [Road Transport](#) has reported that "Women in Logistics (WIL) UK, the not-for-profit network group for women and men working across all areas of logistics, has just celebrated its 2nd birthday and says it now has more than 1,200 members. Chairwoman Clare Bottle also points out that 16% of the membership is male."

 [Federal Times](#) has reported that "One reason the U.S. Postal Service is teetering on financial ruin: four in five post offices lose money. And shutting any of the 32,662 outlets down is nearly impossible. As mail volume plummeted 12 percent from 1999 to 2009, the number of post offices, stations, branches and carrier annexes shrank only 3 percent."


 [Yahoo! Finance](#) has reported that "Residents of the Isle of Man are enjoying quicker, easier visits to the post office now that new technology has been installed to help them pay bills and choose the right postal rates for their mail. Self-service kiosks have been introduced to the British Crown dependency to give customers even speedier service and provide all the help they need to make fast and accurate transactions and select the right postal service."


 [France24](#) has reported that "France faces major disruption Tuesday for the fourth time in a month as workers take to the streets -- this time threatening open-ended strikes -- to fight plans to raise the retirement age to 62. Intercity trains and the Paris metro were also to be badly hit, and teachers, truckers and **postal workers** planned to join the protests against a plan that is central to President Nicolas Sarkozy's reform programme."

 [NEXT](#) has reported that "The director general of Universal Postal Union (UPU), Edward Dayan, said that post offices worldwide process more than 483 billion letters annually. Mr. Dayan said in a message on the World Post Day celebration on Saturday that while posts processed 483 billion letters, mail volumes had continued to decline as a result of electronic substitution and the recent financial crisis. "And though physical mail will not be disappearing overnight any time soon, despite this down trend, posts are looking to the future by diversifying products and services. Thanks to e-commerce, parcel volumes are taking off. Posts in many countries are seeing annual growth rates of 20 percent in parcel volumes due to online sales," he said."


 The [Dominion Post](#) has noted that "In the past, letters were invariably tangible things and the biggest challenge for archivists and historians was deciphering the handwriting. But today few people pick up a pen and paper. Mail volumes have been steadily declining. New Zealand Post's chief executive of postal services Peter Fenton says volumes peaked in the late 1990s before starting their gradual decline. But email wasn't the first killer of the letter - he links the initial decline to Telecom cutting the cost of toll calls. "It was really the affordable toll calls, and then the proliferation of the different communication channels through the internet."


 The [Flathead Beacon](#) wants to know: "Voting by Mail: Could it Work in Montana?"


 According to [E4S](#), "As usual, the Royal Mail is anticipating a huge surge in seasonal mail and so will be looking to fill around 15,000 Christmas jobs in 2010. Each year the postal service employs thousands of extra people in temporary jobs and they don't expect Christmas 2010 to be any exception. In a normal week the Royal Mail sifts through approximately 70 million letters, packages and parcels but that figure doubles to around 130 million in the run up to Christmas. That is why the Royal Mail needs to take on so many extra staff every December."

 [AllAfrica.com](#) has reported that "The Edo State branch of the Nigerian Postal Service (NIPOST) has advised its customers in the state and its environs who are yet to settle their bills on private letter boxes and private mail bags to pay up to avoid re-allocating them to other customers."


 The [Azerbaijan Business Center](#) has reported that:

 [Azerbaijan and Iran](#) are to sign a protocol on co-operation in the area of postal services following the recent Tehran visit of the delegation of the Azerbaijani Ministry of Communications and Information Technologies. MCIT Postal Office's head Novruz Mammadov informs that in the course of the meeting the sides discussed prospects of collaboration between both countries in the area of postal communication.


 [Azerbaijan and Cuba](#) have signed an agreement on exchange of scientific achievements within the framework of the bilateral business forum on information technologies in Havana. The Ministry of Communications and Information Technologies of Azerbaijan informs that during the visit of the Azerbaijani delegation held meeting with the deputy prime minister and minister of communications and information technologies of Cuba, during which the sides discussed prospects for ICT co-operation between the two countries and signed a relevant agreement. Under the agreement, both parties set up working groups, and their first meeting took place in Havana. Besides, the Azerbaijani delegates had meetings with the Cuban postal administration, within which an exchange of views was held and information on Azerbaijan's achievements in this sphere provided.

 [Upgrading of the national mail](#) service operator of Azerbaijan, Azerpocht Ltd, is under way. Company's director Gambar Beybalayev has claimed that on the occasion of the World Post Day, the process of computerization in Azerpocht system (its level is now 80%) will be completed before the end of the year.



 [KTRK](#) has reported that "Some HISD parents are concerned about sending their kids back to school this week after 14 campuses received letters filled with a suspicious white powder Friday."

**October 10, 2010**


 The [News Star](#) has reported that "incumbent U.S. Rep. Rodney Alexander, R-Quitman, and Ouachita Parish independent Tom Gibbs will face off on Nov. 2 for the right to represent Louisiana's 5th Congressional District. The candidates this week agreed to answer several policy questions posed by The News-Star of Monroe. Both candidates were given the same questions and asked to keep their answers relatively short. Their responses were not edited. Here are the questions and the candidates' responses:

Question: Would you support privatizing the U.S. Postal Service?


Alexander: Since the Postal Reorganization Act of 1970, the U.S. Postal Service operates as a semi-independent federal agency, mandated to be revenue-neutral. The USPS receives no taxpayer funding, but is forced to operate under federally mandated laws prohibiting it from being revenue-neutral. It is evident that the current "semi-private" system that the Post Office is currently operating under is not working. Together, taxpayers and Congress must decide if the USPS should become entirely private, allowing the Post Office to make its own operating decisions or be prepared to have the USPS move back to being a full government agency, where it would receive taxpayer funding to maintain a revenue-neutral budget.


Gibbs: Yes. FedEx and UPS have been successful and profitable businesses. There is no reason why the US Postal Service should not be as well.


*[EdNote: My heavens! A question posed to candidates for Congress on the Postal Service? Great!]*

 [Zawya](#) has reported that "Acxiom, the world's leading provider of integrated marketing services and technology solutions has recently announced Dr. Ahmèdê Kassàsè as MENA Chief Operating Officer (COO). This appointment reiterates Acxiom's commitment to the region, by providing the leadership to enhance customer insight and multichannel marketing to regional and multinational clients in MENA."

**October 9, 2010**


 The [Associated Press of Pakistan](#) has reported that "President Asif Ali Zardari emphasizing the importance of postal system in connecting the people worldwide has stated the government is fully cognizant of modernizing Pakistan's postal networks to meet its social and economic development objectives including the Millennium Development Goals. "Connectivity among peoples of different geographical locations, cultural backgrounds and level of development is a key to fostering understanding among them and thereby contribute to peace to development". "Over the decades the postman has been silently working to connect people across distances and cultures. Even today, in the age of electronic communications, the post has been making laudable contributions towards this end."


 [Trend](#) has reported that "Today Azerbaijan's postal sector ranks second for the highest quality of service throughout the CIS, which makes it attractive for foreign investors, said on Saturday, Azerpocht state postal operator director Gambar Beybalaev said. He said in particular by late 2010 it is expected to complete full modernization of Azerpocht, which will increase a number of the rendered services, along with increased quality."


 [Dead Tree Edition](#) is revisiting its earlier comments about the USPS and its plans to assist employee retirement. "USPS Getting Its Retirement Act Together? Nope I was too quick yesterday to praise the U.S. Postal Service's new eRetire system, which seems to be just a faster and more convenient way for potential retirees to get inaccurate information."





*October 8, 2010*


 [Media Daily News](#) has reported that "Amid interest in a new generation of mobile devices, including e-readers and tablet computers, a number of research outfits are rushing to the market with new surveys describing the characteristics of device owners, as well as their habits in media consumption. No surprise -- these studies all indicate that people who buy these devices are an attractive target audience, combining heavy media consumption with affluence and "early adopter" habits."


 The [Deccan Herald](#) has reported that "Encouraged by good revenue collection through booking of railway tickets at the head post office at Aska in Orissa's Ganjam district, the postal authorities have proposed to the Railways to provide such facilities in 10 more post offices in southern Orissa."

 [Atarde](#) has reported that "The Ministry of Communications announced today the extension of contracts franchise post for seven months to ensure continuity of service delivery to the population."

 The [Grand Haven Tribune](#) has reported that "An employee of the U.S. Post Office in Spring Lake has resigned amid accusations of mail theft. The Spring Lake postmaster wouldn't comment on the case. Instead, the U.S. Postal Service Office of the Inspector General."

 The [New York Post](#) has reported that "A suburban postal carrier who stole gifts, credit cards and DVDs from the mail won't have to return to jail. But she'll have to pay back her customers. The Westchester County district attorney's office says 52-year-old Tensy May Smith was sentenced Thursday to six months behind bars."

 [Supply Chain Standard](#) has reported that "DHL Global Forwarding and Delta Cargo have agreed on a strategic air cargo security partnership. The partnership is a DHL initiative aimed at stepping up supply chain security. It is based on a common understanding of standard operating procedures for high-value and high-risk cargo and an exchange of best practices on security issues and information on crime trends."

 The [President of the American Postal Workers Union](#) has told his people that "The media dutifully repeats the claim that the Postal Service is teetering on the edge of bankruptcy, but neglects to point out that these questionable obligations have nothing to do with USPS "operating expenses," which include employee wages and benefits. The liabilities are a colossal sham, seized upon by postal management and by anti-worker congressmen who wish to erode the gains made by postal employees over 40 years of collective bargaining. In fact, the USPS should be cited as "Business of the Year." The Postal Service has survived the worst recession in 70 years, along with societal shifts in communication, and congressionally-imposed funding mandates that are not applied to any other commercial or governmental entity in the country. The USPS has endured, while providing the best mail service in the world at the lowest cost. The Inspector General reports that despite all these obstacles, if accounting rules were applied uniformly, USPS deficits would disappear and the Postal Service would experience unprecedented surpluses."

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

and answers:

The Postal Service has received additional questions on the flats deflection standards that went into effect Oct. 3. Here are the questions



**Have the changes been widely communicated?** For several years, USPS has communicated broadly to the mailing community about the revised deflection standards, which went into effect June 7, 2010. We deferred the assessment of additional postage for non-compliant flats until Oct. 3, 2010, to provide mailers the opportunity to make changes to slightly stiffen or redesign their non-compliant flats to meet the new standards. Local offices also have made contact with individual mailers during the past few months to discuss noncompliant pieces.

**How will you perform verifications and determine assessments?** Mail acceptance personnel have been instructed to perform a deflection verification on each First-Class, Periodicals, Standard Mail or Bound Printed Matter mailing when presented for acceptance according to the procedures outlined in [DMM 301](#). For mailpieces presented after

Oct. 3 that do not meet the deflection standards, local Business Mail Entry personnel are allowed to accept that first mailing at the presented price without applying the additional postage assessment. At that time, the mailer and mail owner will be provided with written notification that all future flats mailings must meet flats deflection standards, and that those that do not will be subject to the applicable higher price assessment outlined in DMM 301, Exhibit 1.7b.

**Will all flats be tested?** Flats mailings that are prepared entirely as ECRWSH (Enhanced Carrier Route Walk Sequence High-Density) and ECRWSS (Enhanced Carrier Route Walk Sequence Saturation) do not require testing. Also, flats that are prepared at basic carrier route prices (ECRLT, Enhanced Carrier Route Line of Travel) and that are drop-shipped to DDUs are not subject to Flat Deflection testing.

**How will you verify Co-bundled mail?** In regards to Combined or Co-bundled mailings, we have instructed our Business Mail Entry Units and acceptance employees to “choose a sample from all of the different mailpieces in the mailing.” This difference would include but would not be restricted to types, sizes, and versions. For combined or co-bundled mailings, our flats deflection verification procedures allow an assessment to be limited to only those pieces that failed when the mailer is able to document the number of pieces for that portion of the mailing. This may also apply to versions of a piece, provided the mailer can document the number of pieces for the version that fails. The documentation should be in the form of a Version Summary Report like those typically found in Mail.dat or Mail.XML files. In any case the mailer retains the option to rework the mailing.

 The latest copy of the [National Association of Postmasters of the U.S.](#) electronic governmental affairs newsletter is available on the NAPUS web site. PRC Chair Goldway Discusses Exigent Rate Decision and Universal Service. Here's [the link to the audio file.](#) 

### **At the Postal Regulatory Commission:**

- CP2010-123 Order No. 558 - Order Approving Seven Additional Global Expedited Package Services 3 Negotiated Service Agreements Link: [http://www.prc.gov/docs/70/70429/Order\\_No\\_558.doc](http://www.prc.gov/docs/70/70429/Order_No_558.doc)  
[http://www.prc.gov/docs/70/70429/Order\\_No\\_558.pdf](http://www.prc.gov/docs/70/70429/Order_No_558.pdf)
- CP2010-124 Order No. 558 - Order Approving Seven Additional Global Expedited Package Services 3 Negotiated Service Agreements Link: [http://www.prc.gov/docs/70/70429/Order\\_No\\_558.doc](http://www.prc.gov/docs/70/70429/Order_No_558.doc)  
[http://www.prc.gov/docs/70/70429/Order\\_No\\_558.pdf](http://www.prc.gov/docs/70/70429/Order_No_558.pdf)
- CP2010-125 Order No. 558 - Order Approving Seven Additional Global Expedited Package Services 3 Negotiated Service Agreements Link: [http://www.prc.gov/docs/70/70429/Order\\_No\\_558.doc](http://www.prc.gov/docs/70/70429/Order_No_558.doc)  
[http://www.prc.gov/docs/70/70429/Order\\_No\\_558.pdf](http://www.prc.gov/docs/70/70429/Order_No_558.pdf)
- N2010-1 Notice of the United States Postal Service Regarding Change in Estimated Implementation Costs Associated With Unemployment Compensation Link:  
<http://www.prc.gov/docs/70/70425/Unemployment.Update.pdf>

 Check out [NPR](#). "We've Lost 8 Million Jobs. Here's A Closer Look."

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

- The Board of Directors of the Association for Postal Commerce (PostCom) held its fall meeting this past week. There were a number of topics that were discussed by the board, some of an internal organizational nature and many of a more significant postal policy or postal operations nature. The Association for Postal Commerce also used the occasion of its fall meeting to present The Stan Woodruff Award to Cameron Bellamy and the Director Emeritus status to Coleman Hoyt.
- In a letter to the Postal Regulatory Commission, Andrew German of the Postal Service said, “for purposes of developing its own financial plans, the Postal Service needs an interpretation of that rule (or any other applicable rules) upon which the Postal Service can rely if it were to begin preparation of the requisite documentation for a CPI-U rate adjustment. Specifically, we seek definitive identification of the amount of adjustment authority currently available.”


- According to the Postmaster General, “Gaining greater business model flexibility is the ultimate key to ensuring that the Postal Service meets the long-term expectations of the American people and remains a vital channel of commerce for the American economy.”
- The USPS on October 1, 2010, filed with the Postal Regulatory Commission (PRC) a request for temporary waiver from periodic reporting of service performance measurement for First Class Mail Flats at the District level; non-retail First Class Mail Parcels; all categories of Standard Mail; Outside County Periodicals; non-retail Media Mail, Library Mail, and Bound Printed Matter Parcels; and Stamp Fulfillment Services. Comments on the USPS’ request are due to the PRC no later than October 29, 2010.
- The USPS Office of Inspector General (OIG) this week published its September 29, 2010, audit report which focused on the USPS’ nationwide management of its Mail Transport Equipment (MTE) program. The OIG concluded that although the USPS has taken a number of steps to enhance its management of MTE over the last two years, additional opportunities exist for the USPS to more effectively manage and control MTE nationwide, including developing a nationwide comprehensive inventory system for identifying and tracking MTE throughout the network. The OIG said that the USPS could have avoided spending about \$14.5 million annually for MTE in FYs 2008 and 2009 if comprehensive controls over MTE had been in place, and further estimated that about \$897 million in MTE assets are at risk of loss, theft or misuse because of control weaknesses.
- According to the Courier, Express, and Postal Observer, “Rate increases will be relatively modest [in 2011]. Rate increases will be rising on average around 2% and most likely slightly below that figure. The price of a single piece stamp will likely increase by a penny to 45 cents. (2.3%) Bulk First Class mail will rise slightly less to ensure that rates for the entire class rise less than the cap.”
- FSS deployment update. USPS has too many supervisors and too many employees, Congressman says. Droopy newspapers to cost more to mail. USPS files another exception request to service measurement. PMG message to employees. Paying the next set of bills. FTC proposes revised “green guides.” Postal windfall. USPS focuses on energy conservation.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews


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




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**FedEx** As [Air Cargo World](#) has noted, "Effective Jan. 3, 2011, FedEx Express rates for U.S. domestic and international shipments will be increased by an average of 3.9 percent. The company actually raised rates by 5.9 percent, on average, but will offset this increase by adjusting the threshold at which the fuel surcharge takes effect, thus reducing the surcharge by two percentage points."


 [Advanced Topics in U.S. Postal Service Contracting](#): A special one-day seminar on identifying and resolving the most difficult, yet important, issues confronting postal contractors in bidding and contract performance. Friday, sponsored by Hirsch Blackwell.


 [Politico](#) has reported that "The unemployment rate in September stayed at 9.6 percent as 95,000 jobs were lost, according to Friday's jobs report from the government."


 Also from the [Wall Street Journal](#): "The Social Security Administration sent about 89,000 stimulus payments of \$250 each to dead and incarcerated people—but almost half of them were returned, a new inspector-general's report found. The agency was charged with distributing the one-time payments, worth about \$13 billion in total, as part of the economic-stimulus package passed in February 2009. Most of the payments were made in May 2009. The


inspector general found that about 72,000 payments were sent by electronic-transfer and as checks to people who would have qualified to receive them—had they still been alive." [EdNote: *Maybe it's time to encourage the Postal Service to develop and make available an address database of people who are dead. Business could use such a database too. And while you're at it, let's require courts, law enforcement, and prison authorities to file change of address forms for all those sent to or are discharged from prison.*]


 The [Wall Street Journal](#) has reported that "The dollar hit fresh lows against several currencies, raising pressure on global leaders to address worsening tensions among countries vying to keep their currencies weak and exports competitive." [EdNote: *A low dollar is good for international trade. Make hay while the sun shines.*]


 Also from the [Postalnewsblog](#): "Issa: More whoppers from Mr. Transparency"


 The [Postalnewsblog](#) has reported the following: "Management Instruction (MI) EL-500-2010-4, Contracting With Individuals or Rehiring Into Career Nonbargaining Positions, is now available on PolicyNet and is effective immediately. This MI provides guidance on the reviews and approvals required prior to contracting with or reemploying specified individuals, including former and/or retired postal or federal civilian employees, into career nonbargaining positions."

 The [African Manager](#) has reported that "Telecommunication authorities in Zimbabwe said tele-density in the country had increased sharply since the beginning of the year, standing at 54 percent now from just 37 percent in January. The Postal and Telecommunications Regulatory Authority said a stabilising economy and huge investments by mobile phone operators accounted for the increase in tele-density." [EdNote: *All the more for the need for a way to rationalize "addressing" across the print-digital boundary. It's essential to communication and commerce.*]

 The [24.kg News Agency](#) has reported that "'Modernization of mail service in Kyrgyzstan requires \$8.5 million,'" Kyrgyz Minister of Transport and Communications Erkin Isakov said Friday at a press conference. According to him, over 8 months in 2010 Kyrgyzpochtasy State Enterprise has received 286 million soms of income, and the rate of growth of the enterprise has made up 141 percent."


 The [Northwestern](#) has reported that "Members of the American Postal Workers Union Local 178 want area businesses and nonprofits to help show how the potential loss of mail processing in Oshkosh will financially impact their organizations."


 As the [Manila Bulletin](#) has noted in observance of World Post Day, "The first known postal document, found in Egypt, dates back to 255 B.C. Even before that time, however, postal services existed as messengers traveled long distances to serve monarchs."


 [Advertising Age](#) has reported that "Consumers are turning to mobile handsets to purchase everything from gift vouchers to flat-screen TVs, and retailers around the world are struggling to keep up with the pace of change."





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


 The [American Postal Workers Union](#) is sending out new ballots to replace those lost in the mail.


 **From the Federal Register:** The [U.S. Postal Service Board of Governors](#) will hold a closed meeting on September 30. Items Considered: 1. Strategic Issues. 2. Financial Matters. 3. Pricing. 4. Personnel Matters and Compensation Issues. 5. Governors' Executive Session--discussion of prior agenda items and Board Governance.


 As the [Wall Street Journal](#) has noted, "From one camp, the cry is clear and certain: The only thing missing from the U.S. economy today is demand, and the answer is for the government to supply it. From another, the cry is just as certain: We tried stimulus, and it didn't deliver....And from a third camp comes yet another cry: It's the debt, stupid.... Which is it?"


 [NZNewsUK](#) has reported that "The Government is consulting on a proposal from New Zealand Post to make two minor changes to the Deed of Understanding between the Government and the company The Deed of Understanding is an agreement between New Zealand Post and the Crown which sets out certain price, service and social responsibilities New Zealand Post must provide. Communications and Information Technology Minister Steven Joyce says the proposed changes are minor in nature and will not impact significantly on the postal services provided to New Zealanders."


 The [New Zealand Herald](#) has reported that "Views are being sought on having no postal delivery for four days over Christmas and New Year when those holidays fall on a Saturday. Communications and Information Technology Minister Steven Joyce yesterday said the Government was consulting on NZ Post's proposal."


 [Folio](#) has reported that "The USPS is still allowed to raise rates up to the CPI cap without approval from the PRC," wrote Making Magazines president Terry Coate Jr. in a blog. "The CPI is expected to be in the area of 2.5 percent. . . Expect a rate increase of 2.5 percent and be pleasantly surprised if it doesn't happen." Not so fast, says Jim Cregan, executive vice president for government affairs at MPA. "Our economists tell us it could be in the neighborhood of 1.5 percent if the postal service were to move quickly and do it in first few calendar months of 2011. If they decide to wait until May, the increase could be a little higher. The economists seem to agree that range would be 1.5 percent to 1.8 percent with a maximum increase of 2 percent, with the way inflation is running."


 [Seeking Alpha](#) has told its readers that "United Parcel Service (NYSE: UPS) told its investors last week that it's ready to make an aggressive expansion into China. Technically, it already has a presence there after establishing its first joint venture in 1988. And in 2005, it bought the international operations of its local partner, Sinotrans, as well. Yet UPS – or "The Big Brown Machine" as some call it – has spent an entire year studying its application for a domestic parcel license in China. It only took it to the State Post Bureau last week. In some respects, UPS has gotten a slow start out of the gate in the Chinese market. It already does big business delivering packages to and from there, but has no domestic market set-up, leaving it lagging behind in a very fast-growing segment."


 According to [Motley Fool](#), "With 14.6% of operating cash flow coming from questionable sources, UPS investors should take a closer look at the underlying numbers."

 The [Wall Street Journal](#) has reported that "Greek Finance Minister George Papaconstantinou said the government has received broad interest from companies within and outside Europe in taking partial or complete ownership of state-run operations up for privatization as Athens tries to right a struggling economy. That builds on interest from other countries, such as China and the United Arab Emirates, that are already investing in Greece. Greek Finance Minister George Papaconstantinou discusses his country's efforts to deal with mounting fiscal problems and return to private capital markets. In an interview Thursday with The Wall Street Journal, the finance minister said at least one big postal company in Europe has expressed "explicit" interest in Greece's postal service."


 The [Sioux City Journal](#) has noted that "U.S. Postal employees have been alerted to reports of customers receiving bogus e-mail about package delivery. The e-mails contain a link that, when opened, installs a malicious virus capable of stealing personal information from computers."


 The [Press Democrat](#) has reported that "The Postal Service is considering cuts at its Petaluma mail processing and distribution center, a prospect that has workers and local business leaders alarmed. Some Petaluma operations could be shifted to a postal center in Oakland as part of a money-saving consolidation."

 [Nikkei](#) has reported that "the [Japanese] cabinet approved a bill Friday morning to reorganize Japan Post, tampering little with the one scrapped during the ordinary Diet session."

 [Dead Tree Edition](#) has told its readers that it has "repeatedly criticized the U.S. Postal Service for providing slow and inaccurate estimates of retiree benefits (see below), so it's only fair to point out the "eRetire" program it announced today. [It] allows employees to plan for and initiate retirement activities online via LiteBlue....This certainly sounds like a step in the right direction for an organization that needs to downsize."



 As the [Washington Post](#) has noted, "Letter carriers saving lives -- six days a week."

 As the [Washington Post](#) has noted, "Letter carriers saving lives -- six days a week."



Also announced at the Board of Directors meeting of the Association for Postal Commerce -- elected as directors of the association (new and re-elected):

**Debbie Cooper**, Brown Printing; **Michael Indresano**, FedEx Smart Post; **Ben Lamm**, Capital One; **Braden McCollum**, SAP Business Objects Postalsoft; **Rich McConville**, Acxiom Corporation; **Robert Curry**, (Siemens Industry); **Richard Eaton**, (Highlights for Children); **Dan Emens**, (JPMorgan Chase); **Charles Fattore**, (RR Donnelley Logistics); **Charles Howard**, (Harte-Hanks); **Scott Lorenz**, (Hearst Corporation); **Joe Lubenow**, (Lubenow & Associates); **Richard Porras**, (Newgistics); **David Robinson**, (Pitney Bowes Software Solutions); **Joe Schick**, (Quad/Graphics); **Phil Thompson**, (Quad Transportation); **Tom Underkoffler**, (Medco Health Solutions).


*October 7, 2010*




**At the Postal Regulatory Commission:**

- CP2011-10 Order No. 557 - Notice and Order Concerning Eight Additional Global Expedited Package Services 3 Contracts Negotiated Service Agreements  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.doc](http://www.prc.gov/docs/70/70419/Order_No_557.doc)  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.pdf](http://www.prc.gov/docs/70/70419/Order_No_557.pdf)
- CP2011-11 Order No. 557 - Notice and Order Concerning Eight Additional Global Expedited Package Services 3 Contracts Negotiated Service Agreements  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.doc](http://www.prc.gov/docs/70/70419/Order_No_557.doc)  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.pdf](http://www.prc.gov/docs/70/70419/Order_No_557.pdf)
- CP2011-12 Order No. 557 - Notice and Order Concerning Eight Additional Global Expedited Package Services 3 Contracts Negotiated Service Agreements  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.doc](http://www.prc.gov/docs/70/70419/Order_No_557.doc)  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.pdf](http://www.prc.gov/docs/70/70419/Order_No_557.pdf)
- CP2011-5 Order No. 557 - Notice and Order Concerning Eight Additional Global Expedited Package Services 3 Contracts Negotiated Service Agreements  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.doc](http://www.prc.gov/docs/70/70419/Order_No_557.doc)  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.pdf](http://www.prc.gov/docs/70/70419/Order_No_557.pdf)
- CP2011-6 Order No. 557 - Notice and Order Concerning Eight Additional Global Expedited Package Services 3 Contracts Negotiated Service Agreements  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.doc](http://www.prc.gov/docs/70/70419/Order_No_557.doc)  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.pdf](http://www.prc.gov/docs/70/70419/Order_No_557.pdf)
- CP2011-7 Order No. 557 - Notice and Order Concerning Eight Additional Global Expedited Package Services 3 Contracts Negotiated Service Agreements  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.doc](http://www.prc.gov/docs/70/70419/Order_No_557.doc)  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.pdf](http://www.prc.gov/docs/70/70419/Order_No_557.pdf)
- CP2011-8 Order No. 557 - Notice and Order Concerning Eight Additional Global Expedited Package Services 3 Contracts Negotiated Service Agreements  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.doc](http://www.prc.gov/docs/70/70419/Order_No_557.doc)  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.pdf](http://www.prc.gov/docs/70/70419/Order_No_557.pdf)
- CP2011-9 Order No. 557 - Notice and Order Concerning Eight Additional Global Expedited Package Services 3 Contracts Negotiated Service Agreements  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.doc](http://www.prc.gov/docs/70/70419/Order_No_557.doc)  
[http://www.prc.gov/docs/70/70419/Order\\_No\\_557.pdf](http://www.prc.gov/docs/70/70419/Order_No_557.pdf)




 According to [E-Commerce Times](#), "The volume of mail handled by the United States Postal Service is sinking like a stone each quarter, and its revenues are following suit. Most of us have probably heard that the tradition of delivering mail six days a week will likely be a thing of the past. This will be one step to bring the Postal Service back to profitability. But it seems that the USPS must take a look at its business model and update it."

 [ZDNet](#) blogger DocuMentor has told his readers that "The only thing Doc likes better than a sale is a sale that works both ways – not only does it save me money, but it works out for the merchant as well. That's why I was so interested in a recent report on the success (or failure) of last summer's postage sale for big mailers put on by the United States Postal Service. The sale (which is running again this summer) gave large mailers a 30% credit for additional volume mailed over a specific threshold. I was really rooting for the USPS and hoping the results would show that lowering postage costs is a better idea than raising them. So how did the program work? Well, it appears no one is exactly sure. Seems the accounting and measuring systems in place at the Post Office were unable to accurately collect the data needed to reach any firm conclusions, but it doesn't appear to be a rousing success. These problems, Doc is quick to point out, are issues with the USPS, not with the marketplace."



[Federal News Radio](#) has reported that "Voting by mail is becoming more popular in more places. The growing popularity of ballot-by-mail is one of the arguments against the proposal to drop one day of mail delivery to save the U.S. Postal Service money. Voting by mail has many pluses. Also, sometimes, some minuses. Members of the American Postal Workers Union, for obvious reason, elect their national officers via mail ballot. Most postal clerks, who sort the mail, belong to the union. Normally the APWU election committee would be counting ballots this week, at the Four Points by Sheraton Hotel downtown. But there has been a problem. So far only 39,071 ballots have been received which is only a small percentage of the union's membership and a much lower total than in past elections. So what happened to all those mail ballots? You got it! They seem to be lost in the mail."

 [Hellmail](#) has reported that:

- [UK Mail Group plc](#) issues the following pre-close trading update for the half year ended 30 September 2010. The first half of the year has been satisfactory, with trading performance continuing to be in line with management expectations. Group revenues showed an increase of some 1% compared to the same period a year ago. Parcels business continued its revenue growth in the first half.
- [Parajett](#), a print and mail service provider in Sweden today signed an agreement with Pitney Bowes DMT Software completing a deal for their P/I OfficeMail™ software and services. The solution, which Parajett will call Print2Post, will enable Parajett to expand their business by providing hybrid mail services to government and enterprise customers throughout Sweden and the Nordics. Hybrid mail services allow individual users in multiple locations to create documents and transmit them electronically to a centralized production facility where they are then printed and mailed with optimum quality and efficiency.



**News from the October meeting of the Board of Directors of the Association for Postal Commerce:**

#### ***Resolutions passed:***

- That the Association of Postal Commerce requests the U.S. Postal Service to indicate which methods are used to validate address data quality prior to applying them to USPS databases to share with mailers. Further, that PostCom request a meeting with USPS officials to share address quality concerns as the data relate to Move Update penalties and PBV when various move update methods are used.
- That PostCom opposes disproportionate increases on the Carrier Route rate for flat-shaped mail. Further, that: (1) Rates for FSS flats should be no higher than rates applied today to comparable carrier route mail. (2) PostCom coordinate with others who hold a similar position. (3) PostCom, in conjunction with those parties, meet with appropriate postal officials on this matter.

- That the Association for Postal Commerce commence work, if possible, in conjunction with others, to develop what is commonly referred to as a "bottom-up" postal costing model.


***Honors of the Association:***


The **Stan Woodruff Award** for extraordinary and meritorious service to the Association was granted to **Cameron Bellamy**, President and Chief Executive Officer of Grayhair Software. (Cameron Bellamy - left; Joe Schick, PostCom Chairman - right.)





**Director Emeritus** status was awarded to **Coleman Hoyt** (formerly representing Readers Digest Association and presently the Continuity Shippers Association. (Coleman Hoyt - right; Joe Schick - left.)





 **Press Release:** "As it continues to make progress to achieve aggressive energy reduction goals, the Postal Service today marked National Energy Awareness Month, with postal officials highlighting savings and encouraging employees, suppliers and mail industry partners to conserve even more energy."

 The [Courier, Express, and Postal Observer](#) has told its readers that "In a letter to the Postal Regulatory Commission, the Postal Service asked for clarification regarding the total increase in rates under the cap. The Postal Service stated that it wanted the clarification so that it could better to do its financial planning for Fiscal Year 2011. However, mailers should clearly understand that rates will be rising in calendar year 2011. Rate increases will be relatively modest. Rate increases will be rising on average around 2% and most likely slightly below that figure."


 [UPS employees](#) throughout the world will participate in UPS's eighth annual Global Volunteer Month in October, a month encouraging UPS's more than 400,000 employees to give back through service and organizations that are most meaningful to them.


 According to one writer for the [Wall Street Journal](#), "innovation has meant a painful transition for the Postal Service, which will still be needed for parcels, special documents and those occasional handwritten letters that I continue to treasure. But in recounting the good old days of traditional mail, we shouldn't forget that they weren't always as precious as we like to imagine."


 According to [Government Executive](#), "Several proposals could bring the Postal Service's obligations to employee benefits back in line, however, and give the agency some additional flexibility with its cash flow."


 From [PR.com](#): "Missed deliveries will cost online UK businesses £132.5m this Christmas, according to the latest ecommerce research. The cost is attributed to the price of replacing and redirecting poorly addressed parcels, "not at home" delivery, and late packages which result in the loss of repeat business from disgruntled customers. The findings have been drawn from studies carried out by Worcester-based address specialists Postcode Anywhere and Interactive Media in Retail Group (IMRG) earlier this year."

 [Post & Parcel](#) has noted that:

 [TNT Post](#) outlined its ambition to compete with Royal Mail in the end-to-end market after commencing operations in Northern Ireland.

 The [US Postal Inspection Service](#) has teamed up with the Federal Trade Commission for a campaign against mail fraud. They have launched a new consumer education initiative in which every household in the country will receive information detailing the warning signs of fraud.

 According to [CTV](#), "Netflix , with a series of deals to stream movies and television shows over the Internet, seems poised to make a technological transition that its floundering competitor Blockbuster Inc. failed to do."

 [Advertising Age](#) has reported that "The Federal Trade Commission is issuing a long-awaited update to its green-marketing guidance today that takes aim at broad, non-specific environmental claims and environmental seals of approval and will make it tougher to claim products or packaging are biodegradable or compostable."

 [Multichannel Merchant](#) has published a "Q&A: PRC Chairman Goldway on Exigent Rate Case Ruling."

### **At the Postal Regulatory Commission:**


- Rule: Daily listing Current Report, 8-K  
[http://www.prc.gov/docs/70/70403/2010\\_10-06\\_FORM\\_8-K.pdf](http://www.prc.gov/docs/70/70403/2010_10-06_FORM_8-K.pdf);  
[http://www.prc.gov/docs/70/70403/Transmittal Letter 8K 2010-10-6.pdf](http://www.prc.gov/docs/70/70403/Transmittal_Letter_8K_2010-10-6.pdf)
- [Letter of inquiry from the USPS regarding the actual inflationary adjustment permitted under PAEA](#)
- [Docket No. RM2010-13](#): In Docket No. RM2009-3, several commenters proposed replacements for the Bulk Metered Mail (BMM) benchmark that has been used historically for calculating the costs that worksharred First-Class letters avoid. To facilitate the development of potential benchmarks by commenters and the evaluation of potential benchmarks by the Commission, the Postal Service is requested to provide a written response to the following question. The response is due on or before November 1, 2010.
- [Audio Recording of Postal Regulatory Commission Public Meeting](#)





[Postal Technology International Awards 2010:](#)





[Delivery Innovation of the Year: DP DHL E-Postbrief](#)  
[Service Provider of the Year: Deutsche Post DHL](#)


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


 With 102 votes against and 82 in favour Switzerland's National Council voted against the full opening of the postal market. The opponents of an immediate market opening pointed to the bad experiences in the surrounding countries. One could see that price rises and job cuts in the postal industry followed the deregulation in the EU. This had to be avoided.


 Deutsche Post will pay new deliverers in the mail business the minimum wage only.


 Austrian Post's CEO Georg Pölzl is obviously not concerned about competitors putting pressure on the post after the full market opening on January 1 2011. He told daily news »Standard« (01.10) 'market share is king'. However he expects competitors to gain some market shares in urban areas.


 Korea Post plans to cooperate more closely with postal companies in Central Asia (Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan, Turkmenistan and Mongolia).

 DHL Germany refrains from using the PDF solution of its partner Adobe Systems for franking packages and parcels online since the beginning of October.

 Parcel service Hermes will achieve a double digit growth this year.

 Finnish Itella plans to intensify its hanging garment distribution activities in Estonia.


 Dutch customers of mail order company Otto will receive their parcels from TNT Post Parcel Service from next year on.

 Deutsche Post plans to offer its parcel customers a pre-advice of the delivery from next year on. Customers will receive a sms or email giving them a precise day for the delivery.





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.)*


**October 6, 2010**

 The [Wall Street Journal](#) has reported that "The U.S. service sector expanded last month, allaying fears that the economy could slip back into recession as manufacturing cools."

 The [Belfast Telegraph](#) has reported that "One of Royal Mail's biggest challengers has opened up a new depot in Co Antrim, creating 20 new jobs. TNT chief executive Nick Wells said embracing internet technology and offering keen pricing structures to clients was key to the company's trend-bucking expansion during a bleak economic climate. The company now has seven mail centres in the UK."

 [Reuters](#) has reported that "French mail operator La Poste is mulling a possible cooperation with Franco-Belgian financial group Dexia, the company's chairman said. "We have started a preliminary review of the dossier," said Chairman Jean-Paul Bailly, adding it would take "weeks or months" to assess if a review leads to anything concrete. Bailly made the comments at a presentation of the French postal group's strategic goals through 2015." See also the [Financial Times](#).

 According to the [Daily Globe](#), "The U.S. Postal Service's latest request to increase the cost of mailing a letter by 2 cents – to 46 cents – and other postal rates was rejected Thursday. It is the right decision by the Postal Regulatory Commission at this time. The need for the postal increase proposal is not due to the recession or a change in mailing practices. The true cause lies in the Postal Service's lack of change. The Postal Service needs to address its long-term structural problems, including staffing, pay and benefits. Simply the times have been changing, but the Postal Service has not changed as fast."

 The [Lehigh Acres Citizen](#) has reported that "Most of the U.S. Postal Service's 142,000 Long Life Delivery Vehicles have been in service 20-24 years. But replacing the fleet is a significant investment. Until the Postal Service decides what kind of vehicles will best serve its growing base of customers - at the lowest cost - USPS is taking a series of steps to extend the lives of its current vehicles."


 From **Business Wire**:


- [Intermec, Inc.](#) has announced the launch of its latest data collection innovation – VERDEX, providing unprecedented accuracy and efficiency to the mobile postal worker. For use exclusively on Intermec mobile computers, VERDEX is a real-time solution for enhanced data collection, nearly eliminating undeliverable address data to maximize overall ROI and improve customer satisfaction.
- [Zumbox](#) has announced that it will showcase the latest version of its Zumbox digital postal platform at Post-Expo 2010 in Copenhagen. In addition, the company's CEO, John Payne, will speak during the conference at the World Postal Business Forum, organized in association with the Universal Postal Union, with a presentation entitled "Physical or digital postal mail - same address for delivery." "Physical or digital postal mail - same address for delivery" In May of 2010, Zumbox announced the availability of its Zumbox Platform as a locally deployable, carrier grade, white label software solution for license by postal authorities and commercial entities worldwide. In August, Zumbox introduced the next major version of its Zumbox Platform, Zumbox 2.0, which includes High Volume Transactional Output APIs, the Zumbox Mobile Reader and other new capabilities that are now available under the Zumbox Platform licensing

program. Additionally, in recent months Zumbox has announced important agreements with DST Output, a leading provider of print and electronic output solutions, Crawford Technologies, a leader in print-stream transformation and document re-engineering software solutions, and GovDelivery, the leading provider of government-to-citizen communication solutions. These partnerships represent major milestones in further developing Zumbox's digital postal system in the United States.

- [Pitney Bowes Inc.](#) has introduced its newest entry in the mail sortation market, the Pitney Bowes(R) Vantage(TM) Sorting Solution, designed to automate more mail sorting processes, including weighing and postage metering, saving time and reducing expenses.

 **From the Federal Register: Postal Regulatory Commission NOTICES** New Postal Product , 61785-61786 [2010-25061] [\[TEXT\]](#) [\[PDF\]](#)


 The [Postalnewsblog](#) has told its readers that "Apparently Rep. Issa has had second thoughts about his charge that the CSRS overpayment is a "myth"- as of 6:15 PM EDT the entire thread has been removed from his Facebook page. [You can still read it here.](#)


 According to the [PostalEmployeeNetwork](#), "Potter warned employees not to reach any conclusions about recent reports recommending closures and layoffs. "We're going to meet payroll," he said. "We're going to live up to our contracts and pay our people." However, he added it will be important for the Postal Service to negotiate provisions in new labor contracts that "provide us the tools that we need to successfully manage the business."

### **At the Postal Regulatory Commission:**


- CP2011-2 Order No. 554 - Notice and Order Concerning the Addition of Express Mail Contract 9 to the Competitive Product List Negotiated Service Agreement  
<http://www.prc.gov/docs/70/70396/Order554.pdf>  
<http://www.prc.gov/docs/70/70396/Order554.doc>
- MC2011-1 Order No. 554 - Notice and Order Concerning the Addition of Express Mail Contract 9 to the Competitive Product List Negotiated Service Agreement  
<http://www.prc.gov/docs/70/70396/Order554.pdf>  
<http://www.prc.gov/docs/70/70396/Order554.doc>
- CP2011-4 Order No. 556 - Notice and Order Concerning the Addition of Priority Mail Contract 29 to the Competitive Product List Negotiated Service Agreement  
<http://www.prc.gov/docs/70/70398/Order556.doc>  
<http://www.prc.gov/docs/70/70398/Order556.pdf>
- MC2011-2 Order No. 555 - Notice and Order Concerning the Addition of Priority Mail Contract 28 to the Competitive Product List Negotiated Service Agreement  
<http://www.prc.gov/docs/70/70397/Order555.doc>  
<http://www.prc.gov/docs/70/70397/Order555.pdf>
- MC2011-3 Order No. 556 - Notice and Order Concerning the Addition of Priority Mail Contract 29 to the Competitive Product List Negotiated Service Agreement  
<http://www.prc.gov/docs/70/70398/Order556.doc>  
<http://www.prc.gov/docs/70/70398/Order556.pdf>


**October 5, 2010**

 [Uni Global Union](#) has noted that "Postal employees will pay dearly if the postal market is liberalised. According to a report the Norwegian Government has commissioned by Copenhagen Economics. In some countries, wages have fallen by almost 50%. In all six countries studied, the number of temporary employees and the proportion of part-time employees."


 According to the [Financial Times](#), "The cheque is in the post, but paying the next set of bills will be a challenge. After losing its case for a two cent increase to the 44 cent standard postage last week, the US Postal Service went


through with a required \$5.5bn payment to a retiree healthcare fund, which it had considered postponing. That leaves it forced once again to tap a federal credit line – with scant hope of repayment. In the past, such crises have revived the idea of full or partial American postal privatisation, following the examples of Germany, Denmark, the Netherlands, New Zealand and elsewhere. Private ownership, though, is far from a panacea. If it wants to maintain a national postal monopoly, Congress must either accept direct subsidies or give the USPS more flexibility to modify services and prices. The latter seems distinctly cheaper and wiser."


 From [PRNewswire](#): "WorldAddresses.com, who recently launched World Addresses Web, the online international address lookup service, will be represented at Post Expo 2010 by its Commercial Manager Barley Laing. WorldAddresses.com has been working with The Universal Postal Union, an international organisation which coordinates the terms for governing international postal duties, to develop the S42 Standard. This Standard defines the correct format for entering individual countries' addresses, as approved by its postal operator. From this collaboration, WorldAddresses.com has been able to rapidly develop its new product, World Addresses Web, an online international address lookup service. The software currently provides address information for the UK, USA, France, Chile and Germany, with additional countries being added on an ongoing basis."


 [Luxury Daily](#) has reported that "Upscale retailer Neiman Marcus is letting shoppers jump from the pages of its catalogs directly into its online shopping platform in one tap via a new iPad application. NM Editions creates a unified platform for viewing all of Neiman Marcus' publications such as its annual Christmas Book that was released today. Consumers can select and purchase items from the catalogs within the application, which is available for free in Apple's App Store."

 [DayPress](#) has reported that "The 1st National Symposium on business intelligence applications kicked off on Monday with the participation of a number of Arab and foreign companies. The 2-day symposium is organized by the Syrian Computer Society (SCS) in cooperation with Ministry of Communication and Technology. It discusses the concept of business intelligence, its tools and local applications and strategic planning, in addition to reviewing experiences of some companies and institutions in the field of business intelligence. Deputy Prime Minister for Economic Affairs Abdullah al-Dardari said employing technology in business in an effective way helps achieve the institution's goals. Al-Dardari pointed out that the government has carried out a large portion of the strategies and policies laid out as part of the 10th 5-year plan to provide communication and postal services, develop programming and digital content and facilitate governmental procedures."

 On [Federal News Radio](#): "The Postal Service Office of Inspector General asked the George Mason University School of Public Policy to examine the financial sustainability of the Postal Service under various volume scenarios. [Joining us to talk](#) about what they found is Renee Sheehy, an economist with the Office of the Inspector General at the Postal Service."

 According to the [Herald-Dispatch](#), "The Postal Service is studying a plan to move a large portion of the maintenance, processing and delivery functions from its distribution center in Huntington to Charleston. Under that plan, postal officials now project that 38 positions in Huntington would be lost. They say that employees in those positions would have the opportunity to work elsewhere for the Postal Service, but just where is unknown. The potential loss of jobs here understandably is a worry. But also is the prospect that the quality of postal service offered to the Huntington area will suffer, too."

 [Today Az](#) has reported that "A working group consisting of representatives of Azerbaijani Postal Administration will pay a working visit to Tehran on October 5-7. The visit, which will be realized at the invitation of Iranian Postal Administration, aims to hold meetings with the working group of Iran's Post and discuss cooperation between the two countries in postal sphere."


 The [Charleston Daily Mail](#) has reported that "West Virginia's forwarding mail service is moving to Pittsburgh."





[UPS Freight](#), the nation's fourth-largest Less-Than-Truckload (LTL) carrier, today announced a general rate




increase averaging 5.9 percent covering non-contractual shipments in the United States, Canada and Mexico. The rate adjustment takes effect on Oct. 18, 2010, and applies to minimum charge, LTL rates and accessorial charges.

 The [Star-Telegram](#) has reported that "The Fort Worth postmaster is on paid administrative leave while the watchdog arm of the U.S. Postal Service investigates the office, several sources said. The inspector general is investigating possible problems with the recording of mail volume, which can be a key driver of budgeting and efficiency measures, officials said."

 The [Economic Times](#) has reported that "Premium postal services, such as business mails, logistic post and speed post, will get expensive as the government looks for ways to bring down the deficit of the postal department, which is running into thousands of crores. The department of posts (DoP) is considering a marketbased pricing for many of its products that do not have a social dimension to them to reduce the government subsidy."


 [TMCNet](#) has reported that "Finnish Basware, a provider of software for financial processes, said on Tuesday it had struck a deal to buy the Dutch connectivity business of posting services company TNT Post, for an undisclosed sum."

 In a letter to the editor of the [Wall Street Journal](#), Postmaster General John Potter said that "Gaining greater business model flexibility is the ultimate key to ensuring that the Postal Service meets the long-term expectations of the American people and remains a vital channel of commerce for the American economy."

### **At the Postal Regulatory Commission:**

- CP2010-126 Order No. 553 - Notice and Order Concerning Adding Inbound International Expedited Services 4 to the Competitive Product List and Canada-Post Bilateral Agreement  
[http://www.prc.gov/docs/70/70388/Order\\_No\\_553.doc](http://www.prc.gov/docs/70/70388/Order_No_553.doc)  
[http://www.prc.gov/docs/70/70388/Order\\_No\\_553.pdf](http://www.prc.gov/docs/70/70388/Order_No_553.pdf)
- MC2010-37 Order No. 553 - Notice and Order Concerning Adding Inbound International Expedited Services 4 to the Competitive Product List and Canada-Post Bilateral Agreement  
[http://www.prc.gov/docs/70/70388/Order\\_No\\_553.doc](http://www.prc.gov/docs/70/70388/Order_No_553.doc)  
[http://www.prc.gov/docs/70/70388/Order\\_No\\_553.pdf](http://www.prc.gov/docs/70/70388/Order_No_553.pdf)

*October 4, 2010*

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

#### **New Option for Obtaining Pickup on Demand Service**

We revised [507.6.0](#) to provide a no-fee option for customers that meet minimum volume threshold requirements of seven pieces for reoccurring Pickup on Demand service for Express Mail®, Priority Mail®, Global Express Guaranteed®, Express Mail International® and Priority Mail International® mail items.


#### **Mailing of Cigarettes and Smokeless Tobacco Products to APO/FPO/DPO Destination Addresses**

We revised [503.9.0](#) and [601.11.0](#) to permit the mailing of cigarettes and smokeless tobacco to APO/FPO/DPO destination addresses via Express Mail Military Service or Priority Mail service with Delivery Confirmation™.

#### **Labeling Lists**

We revised labeling lists [L001](#), [L002](#), [L003](#), [L004](#), [L005](#), [L007](#), [L008](#), [L009](#), [L011](#), [L201](#), [L601](#), [L605](#), [L606](#), [L607](#), and [L801](#) to reflect changes in mail processing operations.

**At the Postal Regulatory Commission: Senator Daniel K. Akaka** Prepared Remarks The Impact of Eliminating Saturday Delivery Service on the People of Hawai‘i

 [Advertising Age](#) has reported that "In a broad attempt by the online advertising industry to ward off federal privacy legislation, a coalition of industry groups today announced a wide-reaching program that allows internet users to opt out of being tracked for the purposes of online marketing. The program has also enlisted with the Better Business Bureau to police marketers that are not in compliance."



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

- [Certification Process for Electronic Payments \(Report Number CA-AR-10-006\)](#). Postal Service officials must improve oversight of electronic payments to ensure that payments to contractors are properly certified and that the agency has received goods and services before payment. Certification prior to payment is necessary to ensure that the Postal Service has been appropriately billed and that goods and services have been received.
- [Summary of Substantial Overfunding in Postal Service Pension and Retiree Health Care Funds \(Report Number FT-MA-10-002\)](#). We have planned or issued four OIG reports presenting overfunding issues associated with pension and retiree health care funds. If our proposals to recover the overfunded amounts were placed in effect, the Postal Service could potentially recover \$142.4 billion.

These proposals include:


- Recover the \$75 billion overfunding to the Civil Service Retirement System (CSRS) and use the funds to extinguish the Postal Service’s \$10 billion debt to the Treasury and finance retiree health care.
- Reduce prefunding levels to benchmarked standards of 80 percent for pensions and 30 percent for retiree health care.
- Recover overfunding of FERS pension contributions of \$5.5 billion.
- Reduce the projected health care inflation rate to the industry standard of 5 percent.

*This week’s “Pushing the Envelope” blog topic:*

- **What Next for the Postal Service in 2011?** The Postal Regulatory Commission rejected the request for an exigent price increase by the Postal Service. As the Postal Service enters 2011, what do you think its next steps should be? [LINK](#) here to share your thoughts and take our poll.


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


- **FY 2011 Sarbanes-Oxley Work Mandated by PAEA - 11BM001FT000**. Our objective is to evaluate whether Postal Service is effectively implementing the requirements of the Sarbanes-Oxley Act.


 [Jack Griffin, Chief Executive Officer of Time Inc.](#), was named Chairman of the Board of Directors of MPA – The Association of Magazine Media. The announcement was made by Nina Link, President and Chief Executive

Officer, MPA, at the 2010 American Magazine Conference (AMC) in Chicago, Illinois. Hosted by MPA and the American Society of Magazine Editors,

 [Federal News Radio](#) has told its listeners that the "USPS seeks innovative, legislative relief for financial woes."


 The [Wisconsin State Journal](#) has noted that "The Postal Regulatory Commission last week denied a request by the Postal Service to increase the cost of mailing a letter by 2 cents, from 44 to 46 cents, along with rate increases for postcards, periodicals, packages and other services. The denial seems like good news for consumers and businesses. And the PRC did the right thing in saying no to the request, mostly because the Postal Service didn't make a good case for the significant increase. It's the recession, they said, that's why we need the extra money. No, it's your bungled-up bureaucracy, fading business model and oppressive legislative mandates, that's why you need the money, the PRC said. We'll back the PRC on this one. Sure, the recession hasn't helped the Post Office, nor any other business. But until and unless the Postal Service makes fundamental changes in structure and operations, bumping up the price of stamps on a regular basis isn't going to save the day."

 The [Gadsden Times](#) has told its readers that "Presentation, it's said, is everything. The United States Postal Service got a lesson in that last week when its request for a rate hike was denied. The cash-strapped postal service asked for a rate hike outside the normal rate of inflation which requires approval by the Postal Regulatory Commission. The regulators were unanimous in rejecting the increase, saying the rate request was not because of the recession but because of the Postal Service's ongoing financial crisis. The presentation focused on the effects of the recession but the Postal Service has been in financial trouble since long before the recession began."


 [Media Daily News](#) has reported that "A number of major newspaper publishers have made big investments in Ongo Inc., a start-up with plans to launch a new social media service that allows users to share news and other information online by year's end. Ongo said it raised a total \$12 million in an initial round of investments from Gannett, The New York Times Co., and the Washington Post Co. While few details are available about the forthcoming service, Alex Kazim, Ongo Inc.'s founder and chief executive officer, stated: "We are building Ongo to reflect the many ways consumers prefer to read, organize and share digital news." [EdNote: And will social media become the ready substitute for the Postal Service as far as "binding the nation together" is concerned?]




**[Now hear this: "This Week In Postal".....the latest podcast posted now!](#) *With a few words by the little piggie.***


 [Hellmail](#) has reported that "The CEO of Norway Post, Dag Mejdell, recently held an oral intervention at the UPU Strategy Conference in Nairobi. He spoke about the importance of acting together as a united postal industry, making a difference for the environment."


*October 3, 2010*

 The [Business Standard](#) has reported that "Moving beyond selling application forms, the Department of Posts (DoP) has started offering a complete package to agencies and companies for their recruitment process. In a first of its kind, the postal department will sell, collect and send application forms for recruitment of people in the central paramilitary forces, including the Central Reserve Police Force (CRPF) and Border Security Force (BSF). The service has been started across 1,000 locations in all major cities. DoP is expected to earn about Rs 10 crore annually as revenue from this. It started selling about 3.1 million application forms over a month earlier, the official added. It is to extend this 'total solution offering' to other companies. The post offices across 1,000 locations in all major cities have been mandated for this new task."


 According to David E. Daniel, a local APWU president, writing in the [Herald-Dispatch](#), "The U.S. Postal Service's proposal to consolidate mail from Huntington, Ashland and Beckley into Charleston is as impractical as it is inefficient. There is, however, an alternative plan which would not only save money but actually result in improved service, better working conditions and increased efficiency. The Huntington regional mail sorting center is


uniquely located to be a gateway hub for the Tri-State. It was designed to serve this role when it was opened in 1978. The Charleston District prevented that from happening and has fought the existence of the Huntington facility ever since. With minor redirections and some new transportation routes replacing old ones, the Huntington facility is fully capable of sorting, distributing, transporting and returning the 456 zip Ohio mail in an overnight manner."


 The [Telegram & Gazette](#) told its readers that "In something of a miracle, postal regulators this past week denied a request from the U.S. Postal Service to hike its rates yet again come January 1. The regulators decided that the USPS hadn't made its case for pushing rates still higher — and well above the rate of inflation. And here's the miraculous part: The regulators blamed the post office's woes on neither the economy nor regulations, but a failed business model. If the post office wants to compete in the modern economy, it must do so without special perks and privileges. Anything else simply leaves American taxpayers — businesses and individuals — subsidizing a business model that is less efficient than it can and must be."

 The [Atlanta Business Chronicle](#) has reported that "United Parcel Service Inc. bought 130 next generation hybrid electric vehicles (HEV) for an undisclosed price. The Atlanta-based package shipper said 30 will be used in New York and 100 will be put to work in California. It estimated the HEVs will save 66,085 gallons of fuel and 671 metric tons of carbon dioxide annually, representing a 35 percent improvement in fuel economy. That's the equivalent of 128 passenger cars being taken off the road, UPS said."


[UPS Press Room](#): "For the eighth year in a row, UPS (NYSE:UPS) has been named to the Dow Jones Sustainability Index (DJSI) for North America, based on the company's economic, environmental and social practices. UPS ranked in the top 20% of corporations in the Industrial Goods and Services sector in North America and scored above the industry group's average in the three areas."


 The [Columbo Page](#) has reported that "Sri Lanka Postal Department is incurring a massive loss due to unavailability of stamp envelopes in post offices, Department sources say. The trade unions of Postal Department say that the loss is around Rs. 97 million per annum. Post offices sold 1.8 million stamp envelopes per month bringing in an income of Rs. 8.1 million to the department in the past. The sources say the sale of envelopes stopped when the Postal Department contracted a private printer to supply stamp envelopes. The contracted printer supplied low quality envelopes that had to be discarded. Nevertheless, the printer had received his payment."

 [Deadtree Edition](#) has told its readers that "The U.S. Postal Service could cut its workforce by one-third and its supervisory ranks even more, a leading Republican Congressman indicated this week. "The Post Office has 200,000 people who should be retiring," Rep. Darrell Issa said in a speech Wednesday to The Heritage Foundation. USPS had 568,301 employees at the end of August. "When I say retiring I mean we don't need them. As ranking Republican on the House Oversight & Government Reform Committee, the California Republican would probably chair the key Congressional panel overseeing the USPS if the GOP wins a majority in the November elections. "I'm going to take on postal reform if I'm lucky enough to be the chairman next year," Issa said."

 [KSPR](#) has reported that "The U.S. Postal Service says residents in Johnson County will get an explanation and an apology when mail found in the home of a deceased postmaster is finally


delivered. Postal Service spokeswoman Leisa Tolliver-Gay told the Southwest Times Record Friday that a "customer" found 500 letters at the home of Merlin Walters and turned them in this week. The 89-year-old Walters was the Hartman postmaster until his death in March. Tolliver-Gay says she doesn't know how the customer found the mail, how the letters got to the home or how long they were there."


 [Representative Darrell Issa](#) (R-CA) spoke about the administration and operations for the House Committee on Oversight and Reform. In his remarks he talked about investigations the committee could undergo if Republicans prevail in the 2010 midterm elections and take control of the House. He responded to questions from the audience. He speaks on the Postal Service some 29 minutes into the recording.


 [Southern California Radio](#) has a piece on "Hey Mr. Postman, look & see—is it the economy or is your business model fundamentally flawed?" Guests: Ruth Goldway, Chairman of the Postal Regulatory Commission Robert


Cohen, former head of the Office of Technical Analysis and Planning at the Postal Rate Commission (now the Postal Regulatory Commission); he recently completed a study commissioned by the Office of the Inspector General for the Postal Service, Implications of declining volume on the financial sustainability of the postal service.


*October 2, 2010*


 [Road Transport](#) has reported that "John Pearson has been appointed as CEO of DHL Express Europe and has been given a remit to sharpen its cross border operations - including those on the UK. The 47-year-old, who has been with DHL Express since 1986, is taking on the role from Ken Allen who was acting European CEO. Allen will now focus on his role as global CEO of DHL Express."


 [WVNS](#) has reported that "Beckley post office workers took to street corners on Friday to get the word out. They held an informational picket along Industrial Drive to let locals know they could soon have a new post office in charge of their area. The U.S. Postal Office has conducted a study to determine whether it's feasible to continue processing operations at the Beckley Post Office. The alternative option would be to process mail at the Charleston Processing and Distribution Center."


 The [Federal Times](#) has reported that "Postmaster General John Potter is standing by his agency's policy of paying the full cost of health insurance premiums for senior executives." *[EdNote: On this matter, he's right. He should.]*

 The [American Postal Workers Union](#) has told its members that a "Rough Week for USPS Highlights Importance of Bill to Fix Finances." *[EdNote: If the "importance" focuses solely on the correction of the CSRS overfunding to allow transfers to pay USPS pre-funding needs, we agree.]*

 [Internet Retailer](#) has reported that "Retail shippers got a break this week with the federal Postal Regulatory Commission's rejection of a proposed rate hike by the U.S. Postal Service. But other rate hikes are on the way. On the same day the postal rate hike got nixed, FedEx Corp. announced its own average hike of 5.9% slated to go into effect in January for its FedEx Express division, which handles packages of up 150 pounds. FedEx has also announced some changes to rates in its FedEx Ground unit, which includes residential deliveries of smaller packages. UPS also typically announces in the fourth quarter its rate hike for the following year." *[EdNote: There's no break. USPS competitive rates undoubtedly WILL rise in January.]*

 The [Washington Post](#) has told its readers: "Check your mailbox. If the U.S. Postal Service has its way, this could be one of the last Saturdays you receive mail. The mail agency is determined to end six-day mail deliveries and close unprofitable post offices despite an expected \$6 billion in losses for the fiscal year that ended Thursday." See also the [Federal Times](#), [Multichannel Marketing](#), [DM News](#), [Government Executive](#).

 [WTOP](#) has reported that "Even if a newspaper is filled with hard news, the U.S. Postal Service is checking to see whether it's droopy. Under a rule that takes effect Sunday, if a flat piece of mail that's longer than 10 inches droops too much, it will cost more to mail in bulk. The change is because such mail can't be put through an automated flat sorter, and sorting by hand costs more. That could affect many community newspapers, which drop off their editions \_ addressed to subscribers \_ for the post office to deliver. Magazines, envelopes and shopping circulars also come under the new rule. The postal service is subjecting newspapers to a "droop test," to determine if they're fit for the machine sorter. The post office places the paper on a counter with a flat edge, with half of the item hanging from the edge. If it droops more than 3 inches, it fails. No bulk discount."

 **DMM Advisory: IMb™ Services Update. PostalOne!® Scheduled Outage:** The *PostalOne!* Production and Test Environment for Mailers (TEM) database servers will have hardware maintenance performed during the scheduled 4 a.m. – 8 a.m. (CDT) maintenance window on Sunday, October 3, 2010. The *PostalOne!* system (including FAST OPS web services) will be unavailable for internal and external users during this period for both Production and TEM environments. This work is being tracked under Remedy Change Record CHG00000225508.



**Notice from the Postal Service on Revised Provisions for Start-the-Clock:** "We have worked with various stakeholders within the Postal Service and Charles Thompson and Phil Thompson to complete the attached document that describes the additional option for calculating start-the-clock in the event that mailers are not able to associate Full Service containers to FAST appointment. We do not believe there is a need to form an MTAC workgroup as the attached describes the changes the Postal Service will make in support of the additional option. At this time we do not have a date on when the change will be implemented but will get back to you once this is determined. Please keep in mind that we will not remove Full Service discounts in if mailers are not able to associate Full Service containers to appointments. The release notes for the November release posted on RIBBS reflects this approach. We are making the necessary changes to our Guides to reflect this as well. These should be posted shortly."


 [Advertisng Age](#) has reported:

- [Conde Nast](#), which is trying to reorient its business away from an overwhelming dependence on selling ad pages to marketers, is edging further into selling videos to consumers. Who says magazines need the App Store to sell digital content?
- The [Magazine Publishers of America](#), the trade association for the magazine industry, is changing its name to "MPA" and its tagline to "The Association of Magazine Media" at its annual conference next week.



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

- [Air Networks – Federal Express Transportation Agreement – National Analysis \(Report Number NL-AR-10-010\)](#). Postal Service Headquarters needs to strengthen nationwide processes, guidance, and monitoring in implementing the FedEx Transportation Agreement to ensure the most efficient and effective transportation of mail.
- [Management of Mail Transport Equipment - National Analysis \(Report Number NL-AR-10-009\)](#). Although the Postal Service has taken a number of steps to enhance its management of Mail Transport Equipment (MTE) over the last 2 years, we found the following opportunities for Postal Service Headquarters to more effectively manage and control MTE nationwide.
- [Vehicle Parts Program \(Report Number DR-AR-10-008\)](#). Although the vehicle parts purchasing process has significantly reduced Postal Service costs for vehicle parts, the audit identified the Postal Service did not always pay the lowest price for vehicle parts. In addition, vehicle part assets were at risk in some vehicle maintenance facility (VMF) units. These conditions occurred because of inadequate processes, unclear purchasing policies, and resource constraints, as well as insufficient internal controls to secure vehicle parts assets in some VMF inventory stockrooms.

 **At the Postal Regulatory Commission:** The Office of Personnel Management's response to the study done for the Postal Regulatory Commission by Segal regarding the overfunding of the Postal Service's Civil Service Retirement System (CSRS) obligation has been posted on the [PRC web site](#).

- RM2011-1 United States Postal Service Request for Temporary Waivers from Periodic Reporting of Service Performance Measurement  
<http://www.prc.gov/docs/70/70365/RM2011-1%20temporary%20waivers%20request.pdf>
- RM2010-14 Order No. 550 - Notice and Order Concerning Filing of Postal Service Request for Semi-Permanent Exception from Periodic Reporting of Service Performance Measurement  
[http://www.prc.gov/docs/70/70368/Order\\_No\\_550.docx](http://www.prc.gov/docs/70/70368/Order_No_550.docx)  
[http://www.prc.gov/docs/70/70368/Order\\_No\\_550.pdf](http://www.prc.gov/docs/70/70368/Order_No_550.pdf)

 The [Consumer Postal Council](#) has posted a new update on the move toward British postal privatization.

*October 1, 2010*



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

- The Postmaster General said, “we are disappointed to learn that the Postal Regulatory Commission (PRC) has denied our price filing. But we are encouraged by their acknowledgment and understanding of the larger financial risk we face through the mandated prefunding of Retiree Health Benefits.”
- The Office of Personnel Management has responded to The Segal Company’s (Segal) report regarding the allocation of costs of Civil Service Retirement System (CSRS), sponsored by the Postal Regulatory Commission (PRC). In a letter to PRC Chairman Ruth Goldway, John Berry, OPM Director said that “OPM’s principal roles in this matter are those of a program administrator and trust fund fiduciary.” Berry goes further to say that “as a trust fund fiduciary, our principal relevant concern is with the adequate funding of the program and not the source of that funding.”
- The Postal Service published its unaudited August results with the Postal Regulatory Commission. USPS lost \$1.6 billion in August 2010. This brings the year-to-date loss to \$7.7 billion.
- The USPS Office of Inspector General (OIG) presented its findings from its self-initiated audit of the impact of the Postal Accountability and Enhancement Act price caps on the postal rates or prices. It found that “the price cap has negatively impacted the Postal Service’s ability to price its market dominant products and services to generate sufficient revenue to cover product costs and contribute to the coverage of overhead costs.”
- The USPS Office of Inspector has released Implications of Declining Mail Volumes for the Financial Sustainability of the Postal Service, a white paper prepared under contract by the George Mason University School of Public Policy. GMU looked at the financial sustainability of the Postal Service at lower levels of mail volume of 150, 125, 100, and 75 billion pieces per year. It found that the Postal Service is financially sustainable down to volumes of 100 billion per year.
- The USPS Office of Inspector General (OIG) released its Management Advisory - Revenue Generation Strategic Report this week. This self-initiated review of revenue generation strategies is the first of two documents suggesting strategic revenue generation opportunities for the Postal Service. The next white paper on generating revenue in the digital world is due out in FY2011. This report contains revenue generating ideas that if implemented could result in potential additional revenue of as much as \$9.7 billion for the Postal Service annually, while providing improved service to its customers.
- The USPS Office of Inspector General (OIG) concluded the Postal Service has reduced its FEHB contributed rate by one percent per year from 2008 to 2010, but its FEGLI and FEHB contribution rates are still higher than the rest of the federal government. The OIG found that the Postal Service could save \$705 million in calendar year (CY) 2011 if it matched the federal government’s FEGLI rate and used its FEHB formula to calculate contribution rates.
- The USPS Office of Inspector General (OIG) audited the Postal Service’s purchasing policies in response to a congressional request to review Postal Service’s purchasing policies for noncompetitive contracting and conflicts of interest. Specifically, the OIG was asked to compare postal policies against those in the Federal Acquisition Regulation (FAR). It found \$218 million in unrecoverable unsupported questions costs.
- The USPS Office of Inspector General (OIG) on September 23, 2010, published the results of its audit of the USPS’ Area and District office field structure. The audit was conducted in response to a request from Senator Susan M. Collins, Ranking Member, Senate Committee on Homeland Security & Governmental


Affairs. The OIG identified additional options for the USPS to further consolidate its field structure, including elimination of 14 offices by consolidating Districts that have offices located within 50 miles of one another; eliminating 4 Area and 32 District offices by consolidating offices where workhours and mail volume are both below the mean level; and eliminating duplicative staff positions and better positioning Area management to work strategically with USPS headquarters by relocating all Area offices to headquarters.


- In response to a request from PostCom leadership to provide updated information on a variety of postal operations issues, the USPS on September 29, 2010, issued a notice to members of the Mailers Technical Advisory Committee (MTAC) with long-awaited updates.
- According to Window Books, "There is a little-known Postal Service form that is recently coming to mailers' attention - the PS Form 8017, Expedited Plant-Load Shipment Clearance. This form, similar to PS Form 8125, provides proof to the United States Postal Service (USPS ® ®) that a shipment of mail was verified and paid for at the origin - entry post office. The difference between the two forms is that the PS 8017 is used with Expedited Plant-Load shipments, which do NOT qualify for drop-ship discounted pricing, whereas the PS 8125 is used with Plant-Load shipments that DO qualify for drop-ship discounted pricing."
- According to the Courier, Express, and Postal Observer, "in [its] financial state the Postal Service must default in its obligations to the Federal Government and force Congress and the administration to choose between restructuring and liquidation. Clearly, liquidation is not an option as the economic impact of ending mail service would be catastrophic and shifting mail delivery to the private sector would require a significant gap in time when no service would exist."
- No relief for Postal Service in continuing resolution. The post office hustle. Senator Collins questions postal execs perks. Don't blame 'overpaid postal workers' for rising periodicals' costs. Ex-postal execs return for high-pay contracts. Want to cut wasteful spending - privatize the USPS. IRS: No more tax forms in the mailbox.
- An update on DMM Advisories issued by the U.S. Postal Service.
- An update on postal rules and notices published in the Federal Register.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews


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 [KAIT](#) has reported that "The U.S. Postal Service plans to conduct a study at the Batesville Customer Service Mail Processing Center for possible consolidation of some operations into the Jonesboro Processing & Distribution Facility (P&DF). The study, known as an Area Mail Processing (AMP) study, involves a review of the mail processing and transportation operations to determine capacity needs at a facility in order to increase efficiency and improve productivity."


 [Catalog Biz](#) has reported that "Direct sellers are bracing themselves for possible postal strikes this winter as the Communications Workers Union (CWU) vows to fight the government's plans to privatise Royal Mail."


 As [Post & Parcel](#) put it, "The decline in mail volumes – particularly single-piece First Class mail – could see the USPS turn into a one-way communications system. The decline in mail volumes - particularly single-piece First Class mail - could see the USPS turn into a one-way communications system. That is the claim within new research published by the USPS Office of the Inspector General yesterday, which suggests that the decline in mail volumes from the peak in 2006 now looks likely to continue for the next 10 years."

 [Media Daily News](#) has reported that "Total ad pages at the 39 weeklies and biweeklies tracked by Media Industry Newsletter increased just over 2% to about 30,781, according to MIN Online, which posted some of the top-line data from the newsletter. Roughly half the titles (20) have seen total ad pages increase in the first nine months of 2010 compared to the same period last year."


 According to [DM News](#), "The PRC decision leaves the Postal Service with tough choices on how to proceed. It can appeal the PRC's decision to a federal appeals court or it could file another exigent case and attempt to argue more convincingly that the recession has caused its financial crisis. Or, it could file for inflation-based price increases as allowed under the law. PRC staffers said the current inflation rate would allow the USPS to ask for price increases of about 1.6%."


 [WBRC](#) has reported that "A federal grand jury has charged five postal employees and others with stealing or interfering with the U.S. mail."

 As the [Washington Post](#) noted, "The Postal Service didn't make the case, didn't make the connection between the problems they suffered during the recession and the revenue they were requesting," the commission's chairman, Ruth Y. Goldway, said in an interview. The request seemed more part of the mail agency's 10-year business plan than one prompted by an emergency, she said."

 According to [Dead Tree Edition](#), "Postal executives today must feel as if they just lost a round of the old children's game called "Mother May I?". Putting it in simplistic terms, The U.S. Postal Service said to the Postal Regulatory Commission, "May we impose exigent (emergency) price increases to make up for the money we lost because of the recession?" The PRC gave its unanimous answer today: "Well, the recession does qualify as an emergency that justifies special rate increases, but you can't have the money because you didn't ask properly."

 The latest legislative update from the [National Association of Postal Supervisors](#) has been posted on the web.

 For its part, the [Postmaster General](#) said the following in behalf of the Postal Service, "We are disappointed to learn that the Postal Regulatory Commission (PRC) has denied our price filing. But we are encouraged by their acknowledgment and understanding of the larger financial risk we face through the mandated prefunding of Retiree Health Benefits."

 In response to the Postal Regulatory Commission's decision in the exigency case, [Sen. Thomas Carper](#) (D-DE) said that "The rate increase that was denied today would not have fixed the Postal Service's problems. A number of observers argued that it could actually have made them worse. Regardless, I hope that today's events will focus the Postal Service, its employees, its customers, and my colleagues in Congress on the need to take dramatic action to arrest the slide the Postal Service is on. Even when our economy has fully recovered from this recession, the Postal Service will still need to deal with the fact that more and more people are turning to electronic communication to keep in touch with friends and family and to conduct their daily business. "If we do nothing, we face a future without the valuable services the Postal Service provides. However, if we act quickly, we can turn things around."