




Association for Postal Commerce

1901 N. Fort Myer Dr., Ste 401 * Arlington, VA 22209-1609 * USA * Ph.: +1 703 524 0096 * Fax: +1 703 524 1871

Postal News from November 2011:

November 30, 2011


Mailers' Technical Advisory Committee (MTAC) The Postal Service will be filing its service changes with the PRC on 12/5. The USPS will also be providing its proposed rule as well.


 The Postal Service has announced its intention to abandon the targeted "in-home day of delivery" practice within Standard Mail. [See letter from USPS.](#)





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


- **[Inbound International Parcel Mail \(Report Number MS-AR-12-001\)](#)**. The Postal Service did not always identify, record, and bill foreign posts for inbound international parcel mail. As a result, the Postal Service did not collect \$10.9 million in revenue for inbound international parcel mail received and delivered in the U.S. between Calendar Years 2008 and 2010. While the Postal Service significantly improved the completeness of its billing records in 2010 after the Foreign Post Settlement System replaced the International Accounting Branch Settlement System in December 2009, improvements are needed over internal controls designed to identify, record, and bill for inbound international mail.
- **[U.S. Postal Service's Health and Safety Program \(Report Number HR-AR-12-001\)](#)**. Our report determined the Postal Service has processes in place to minimize health and safety hazards and assist with Occupational Safety and Health Administration compliance but employees do not always follow these processes, as we identified hazards and unsafe conditions at locations we visited. We also identified opportunities to improve safety processes and procedures.


 **Wall Street Journal:** Time Warner Inc. has picked Laura Lang, chief executive of the digital-ad firm Digitas, to run its Time Inc. magazine-publishing division, according to people familiar with the matter. Ms. Lang's hire would put the head of one of the largest digital agencies in charge of the biggest U.S. magazine publisher at a time when Time Inc. and others grapple with a murky print-advertising picture and the migration of consumers to digital devices.


 [Press Release](#): "Get the Best Practices and Solutions in the Postal Industry from Window Book's Complimentary Educational Webinars"


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


 At an investors meeting in New York, Georg Pözl, CEO of Austrian Post, announced that the company was ready to generate growth through acquisitions in the future.


 French La Poste plans to introduce an employee stock option plan until the middle of next year.


 German First Mail is going to be shelved. The subsidiary of Deutsche Post is to abandon all operations until the end of this year.


 The European Court of Justice rejected bpost's claims for damages. The case was about the delivery of publications of the EU-Commission which were distributed by bpost from 2006 to 2010. P & T Luxembourg won the contract in a bidding process and started service at the beginning of this year. The Belgian post filed a complaint against this decision and demanded 2.38m euros damages.


 Swiss Post bought out its co-partner in the joint venture Epsilon, the publishing house Tamedia. Last week it was announced that Swiss Post will acquire the 34% stake in the early-morning delivery and advertisement distribution company Epsilon, effective from December 14.


 Royal Mail reached or exceeded important quality targets during the summer months (June to September) of the current financial year.


 Swiss Post now launched a personalised daily newspaper service, called MyNewspaper.

 Major shareholders of TNT Express requested to replace CEO Marie-Christine Lombard.

 Ceska Posta re-arranged its parcel product and service portfolio. Customers will be able to choose from four different services. Balik Do ruky is the standard service and with the Balik Na Postu the customer's parcels are sent to one of the around 2,600 post offices across the country. Ceska Posta guarantees one-day delivery for these two services.


 DPD now offers German customers the option to postpone the parcel delivery. With the so called FlexDelivery-service, addressees receive a SMS or an email one day before the expected delivery date. This delivery can then be shifted to one of three consecutive working days. On the day of delivery the addressee receives another SMS or email with the intended timeframe of the delivery which is currently 2 to 6 hours.

 Our strategic project '2015 - reinventing letter mail' also requires us to reinvent our management'. In an interview with business journal »Les Echos« (25.11), Marie Llobères, general director of La Poste's Mail division, pointed out that La Poste would rely on a decentralised management in the future.

 French La Poste plans to offer broadband services from next year on. Last week it was officially confirmed that La Poste will start to offer so-called triple and quad play services in the second half of next year. Broadband connections which are offered by a single provider and include internet access, a fixed phone line, a mobile phone connection and - if applicable - internet television (IPTV) are called triple or quad services respectively.




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.)*


 [Canada NewsWire](#): The Canada Post Group of Companies¹ today reported a loss before tax of \$163 million in the third quarter ended October 1, 2011, down from a \$19-million pre-tax loss recorded in the same period a year earlier.


 *From the Federal Register:*


- **Postal Regulatory Commission NOTICES** Standard Mail Market Tests , 74078 [2011–30829] [[TEXT](#)] [[PDF](#)]
- **Postal Service NOTICES** Meetings; Sunshine Act , 74078–74079 [2011–30962] [[TEXT](#)] [[PDF](#)]


November 29, 2011


 **Fierce Government:** A proposal that the Postal Service run a secure email and storage service is not as ludicrous as it might seem on the surface. None of the services that the group proposes, including secure and verified email and secure online storage, aren't already available elsewhere. But the group's proposal also creates privacy and security problems, or at least the potential for them. How well protected from government monitoring, for example, would that closed email system be? The default assumption of many people is "probably not very much."


 **Hellmail:** The e-commerce market is becoming increasingly competitive. Consumers have more choice than ever before, so one slip by retailers can result in customers defecting to a rival. Many factors influence a customer's loyalty, but the returns process is particularly important. It has been proven that implementing a good returns process drives repeat orders and improves customer satisfaction. Research by Harris Interactive shows that 85% of customers say they will stop buying from a retailer if the returns process is a hassle and, conversely, 95% will return to the same catalogue or internet retailer if the process is convenient.


 **Federal Business Opportunities:** The Postal Regulatory Commission is seeking proposals to develop a linear programming model(s) that could be used to estimate the costs savings achieved in mail processing, transportation and delivery by efficiently managing peak load issues. As a supplement to the linear programming model, the Commission is seeking separate proposals to develop econometric models of the effect of variations in volume on the Postal Service's costs of performing each of the following functions: Processing costs, transportation costs, and city delivery carrier costs. A bidder may submit a proposal to model one or more of those functions. The developer(s) of the linear programming models should be prepared to provide expert testimony, answer questions from parties, and appear as expert witness(es) for the Commission in the event the Postal Service files a Request for an Advisory Opinion related to reducing service standards or consolidating mail processing facilities.


 **Go-Jamaica:** United States authorities say that millions of dollars, tucked away by senior citizens for their retirement, are now ending up in the pockets of Jamaican crime syndicates. "It is a plague," said US Postal Inspector Bladismir Rojo, adding "when word-of-mouth spreads of free money, there is no way to put it out". Rojo told reporters that lottery frauds, based in Jamaica, have exploded in popularity, with estimates that as much as US\$300 million will be bilked from US residents, largely the elderly, this year alone.


 **Post & Parcel:** Estonian Post's chief executive Ahti Kallaste has resigned in order to take up a position at his family company.


 **Post & Parcel:** Royal Mail achieved most of its service quality standards over the summer, hitting or exceeding eight of its 12 targets. Its latest service results reveal that the UK postal service achieved its First and Second Class quality targets, along with business bulk mail, Standard parcels and European international mail in the three months up to September 2011. For First Class, 93.2% of deliveries were made for the next working day during the second quarter of 2011, two tenths of a point above target. Second Class came in at 98.7% for delivery within three working days, again two-tenths of a point above requirements.


 *At the Postal Regulatory Commission:* **Docket No. R2011-5:** The U.S. Postal Service has provided the Postal Regulatory Commission its data collection report on the 2011 Mobile Barcode Promotion Program.


 **PostalReporter News:** PostalReporter News has posted a USPS Financial History Summary 2007-2011.


 **Chief Marketer:** Where should marketers allot their budget dollars in 2012? Chief Marketer recently talked to several marketing professionals to get their opinions in several key areas of spending.


 **Chief Marketer:** According to this year's Chief Marketer Social Marketing Survey, about 73% of respondents to this year's survey say they now incorporate social messaging of some kind into their campaigns. That's up from 64% who said the same thing last year. And of the remaining respondents who don't currently use social media for marketing, a further 15% say they expect to launch social initiatives in the coming year — leaving only 10% who say they will not be social 12 months from now, or who are not sure.


 **Post & Parcel:** Canadian consumers receiving a parcel via UPS now have the option of collecting it at a nearby branch of The UPS Store. The new service from UPS Canada aims to provide more convenience for packages delivered to residential addresses. It also means reducing the number of repeat visits for UPS drivers to attempt re-delivery, saving on transport costs. If an item cannot be delivered on the first attempt, a UPS driver will leave a card letting the recipient know where they can pick up their parcel the following day. UPS said the UPS Store franchises will be able to scan packages and capture signatures on pick-up, providing full visibility for the shipment process for shippers.


 **Post & Parcel:** Innovation DPD offers flexible delivery windows for parcels in Germany Monday, November 28th, 2011 Parcel and express delivery firm DPD has extended its 'FlexDelivery' service from the UK into Germany. The service sees the company sending out a text message or email alert to the recipient of a package the day before it is due to arrive, allowing them to choose one of three different working days on which to have the item delivered. Delivery will be provided within a 2-6 hour window on the selected day.


 **At the Postal Regulatory Commission: Notice of a Public Meeting.** December 07, 2011, Portions Open to the Public 1. Election of the Vice Chairman. 2. Report on Legislative Activities. 3. Report on Public Participation. 4. Report on International Activities. 5. Report on the Status of the Strategic Rulemaking Process. 6. Report on Pending Dockets. 7. Report on the Activities of the Office of the Secretary. Portion Closed to the Public 8. Discussion of Pending Litigation. The open portion of the meeting will be audiocast. The audiocast may be accessed via the Commission's website at <http://www.prc.gov>. For more information, please contact: Shoshana M. Grove, Secretary of the Commission, at 202-789-6800 or shoshana.grove@prc.gov


 **Post & Parcel:** Royal Mail began trials today in which parcels will be left with neighbours if a recipient is not home to accept delivery. The "Delivery to Neighbour" trial covers nearly 750,000 addresses, 1,406 delivery rounds, and runs until February 25, 2012. On the trial, when a mail carrier cannot fit an item into a residential letterbox and the addressee is not home, they will choose a neighbour in close proximity to ask if they will look after the package. The intended recipient will then receive a notification card with details of where the parcel can be collected.


 **SmartMoney:** Shoppers may have more incentive to buy online this year: the sales are as big as -- if not better than -- in-store offers and many retailers are offering free shipping. The catch, say experts: Shoppers have to spend a lot more. Some 93% of stores will offer a free shipping deal this year, up from 85% last year, according to the National Retail Federation arm Shop.org's projections. But unlike last year, when many retailers offered free shipping on everything, regardless of the amount spent, this year consumers have to pay a minimum, says Luke Knowles, founder of free-shipping-focused deal site FreeShipping.org. In the NRF's annual study of Cyber Monday offers, for example, 30% of sites said they'd offer free shipping on some orders. Last year, 22% offered it on all orders.


 **Hellmail:** An extra 300 post offices across Australia will operate extended trading hours in December to allow customers to collect parcels and access a range of postal services outside of normal business hours. Mr Fahour announced the extended trading hours today as he officially opened the Brisbane GPO as Australia Post's first "super store" to be a one-stop shop for travel, financial and online shopping. In a first for Australia Post, the superstores will have a dedicated 24/7 zone, which includes: (1) 24/7 parcel lockers for customers to pick up their parcel at a time that suits them, (2) Vending machines for postage and packaging products * An ATM for quick access to cash; and (3) A self-service terminal for customers to weigh and post parcels plus pay bills.

 **CNN**: With 557,000 employees, the postal service is among the nation's largest employers, behind the federal government and Wal-Mart. The postal service's 32,000 retail branches top Wal-Mart, Starbucks and McDonald's combined. It's also one of the largest employers of minorities and veterans. Proposals to cut Saturday service and close underused post offices in order to save billions of dollars have met united opposition from Democrats and many of the conservative Republicans who swept into office campaigning on smaller government.

 **Postal Technology International**: Austrian Post (Post AT) has just signed an annual rolling contract with Prime Vision for nationwide software support. Its ParcelMatch OCR and Key-IT video coding products are installed at each of Austrian Post's seven parcel sorting centres across Austria, but the scope of the agreement goes way beyond preventative and corrective maintenance. In today's market most posts have already committed to automation. So the role of companies such as Prime Vision is to ensure customers continue to fine-tune their systems to extract every possible performance gain. And this is where Prime Vision stands out from the crowd.

 **Anchorage Daily News**: The U.S. Postal Service watchdog is calling for changes to Alaska's bypass mail program, saying it has evolved past its original purpose and seems to help commercial interests more than rural residents.

 **NASDAQ**: Shareholders in TNT Express NV are growing increasingly concerned about the Dutch logistics company's management and strategy, and the rising disquiet is leading some of the company's largest investors to call for a change. Since the break-up of TNT and its former mail unit, PostNL NV, the companies have lost over 50% of their combined market value amid profit warnings and ongoing operational issues at its Express business, and investors are losing faith in TNT's ability to create value for shareholders.

 **DC Velocity**: UPS Inc.'s recently announced 2012 tariff rate increases on its core ground parcel business may underestimate the magnitude of the rate hikes that will actually hit on Jan. 2, according to an analysis from a leading parcel consulting firm. UPS said Nov. 18 that it would raise non-contract rates on ground parcel, domestic air, and U.S.-originating international services by a "net" amount of 4.9 percent, after factoring in reductions in the applicable fuel surcharge. The Atlanta-based transportation logistics giant said its base rate increase of 5.9 percent would be adjusted downward by one percentage point after incorporating a one-percentage-point reduction in the applicable ground fuel surcharge. However, Hempstead Consulting, an Orlando, Fla.-based firm run by parcel industry veteran Jerry Hempstead, said an analysis of rates for parcels weighing between one and 20 pounds and shipped across virtually all of the country shows much more pronounced increases than the average announced by UPS. With few exceptions, the rate increases will be well in excess of 7.5 percent, according to the analysis. In some instances, the increases will be pushing 9 percent.

November 28, 2011



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


Can the Postal Service Afford Alaska Bypass? The Alaska Bypass program was established in 1972 to help expedite shipments of goods to remote Alaska residents and to ease backlogs of packages at the Anchorage Mail Facility. However, the program has developed beyond its original goals into a subsidized freight-like service unavailable anywhere else in the country. In this context, the U.S. Postal Service Office of Inspector General Risk Analysis Research Center has published *Alaska Bypass: Beyond Its Original Purpose*. This white paper summarizes the history of the development of Alaska Bypass and its evolution into a program that may benefit commercial interests in the state more than rural Alaskan residents. With the Postal Service consistently losing money on the program, including a loss of \$73 million in fiscal year 2010, failure to reform the program will continue to impose a financial burden on the Postal Service at a time when it can least afford it. To learn more and read the paper in its entirety, [click here](#). We invite you to share your thoughts on this topic on our [blog](#).

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


- [Evaluation of Post Office Discontinuance Accounting Procedures – 12BG005FF000](#). With declining mail volume, changing consumer needs, and nearly 32,000 post offices offering access to postal products and services, the U.S. Postal Service is renewing its efforts to optimize its retail facility network. With the potential targeting of 3,700 post offices that could be discontinued, the process is very high profile and sensitive with visibility from Congress, communities, customers, employees, unions, and other stakeholders. Additionally, these possible closings will have major impacts on the U.S. Postal Service Headquarters, area, district and local offices. Our audit survey objective is to determine if Postal management has properly accounted for revenue, expenses, assets, and liabilities when discontinuing a post office operation.


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


- [Alaska Bypass: Beyond Its Original Purpose \(RARC-WP-12-005\)](#). The Alaska Bypass program was established in 1972 to help expedite shipments of goods to remote Alaska residents and to ease backlogs of packages at the Anchorage Mail Facility. However, the program has developed beyond its original goals into a subsidized freight-like service unavailable anywhere else in the country. In this context, the U.S. Postal Service Office of Inspector General Risk Analysis Research Center has published Alaska Bypass: Beyond Its Original Purpose. This white paper summarizes the history of the development of Alaska Bypass and its evolution into a program that may benefit commercial interests in the state more than rural Alaskan residents. With the Postal Service consistently losing money on the program, including a loss of \$73 million in fiscal year 2010, failure to reform the program will continue to impose a financial burden on the Postal Service at a time when it can least afford it. To learn more and read the paper in its entirety, [click here](#).


 [WTVR](#): A recent audit found that a U.S. Postal Service distribution center in Sandston had the highest volume of delayed mail among 43 such centers nationally. The Charlottesville Daily Progress reports that the center serving a 22,000-square-mile area in central Virginia had a 12 percent delayed mail rate in fiscal year 2010. The national figure was 4 percent. In a period of two years, the plant's volume of delayed mail more than doubled to 23 million pieces.

November 27, 2011

 [Federal Times](#): As the U.S. Postal Service was careening toward a record \$8.5 billion loss in 2010, it was paying more than three dozen top executives and officers salaries and bonuses exceeding that of Cabinet secretaries — almost triple the number who were in that category only a year before, according to newly disclosed figures. Since executive salaries were frozen in 2010, the jump in the number of executives earning more than Cabinet secretaries was the result of performance-based bonuses. USPS leaders have been pressing the agency's four unions to accept pay cuts, at least for new hires. They are also asking Congress for permission to end no-layoff protections and create a lower-cost health plan as an alternative to the Federal Employees Health Benefits Program.

 [Business Insider](#): I know, everyone is saying that "George Will" and "confused by numbers" is repetitive, but it is nonetheless necessary to say in reference to his latest piece calling for privatization of the United States Postal Service (USPS). The point is supposed to be that the USPS is hopelessly inefficient compared to its private sector competitors and that if it were required to be run at a profit it would soon be out of business. Actually, the data don't really make this case.

 [KMVT](#): Gov. Matt Mead wants to prevent the closures of post offices in rural parts of Wyoming.

 [Dead Tree Edition](#): George Will is a Pulitzer Prize-winning political commentator who has penned some of the most beautiful prose ever written about baseball. But yesterday, in opining about the U.S. Postal Service, he whiffed when it came to basic fact checking.

November 26, 2011

[!\[\]\(08a82c22d89d6b027ff69762ad096586_img.jpg\) **Informationweek**](#): The U.S. Postal Service should offer email, secure document storage, and other online services as a way for the financially strapped agency to leverage the Web as a service platform, according to the USPS office of Inspector General. A report from the IG outlined a digital platform the agency could create to offer services such as eMailbox and eLockbox to help the USPS take advantage of the Internet economy and recoup some of the more than \$5 billion it lost in 2011. However, questions remains about whether the agency has the qualifications to offer such services and where they would get the cash to create the platform for them.

[!\[\]\(35e4f762fc1cfea5610d92e2d225d5b4_img.jpg\) **Time**](#): "The Storied History of the U.S. Postal Service"

[!\[\]\(d84e7ea36f695d92cb39ec32c307ac93_img.jpg\) **Canada NewsWire**](#): UPS Canada has announced a change in the way it delivers packages to some residential addresses that will provide consumers a new level of convenience. Canadian consumers now will be able to pick up their residential packages at a nearby retail location if delivery cannot be made to them directly at home on the first attempt. Delivery information notices, left behind by UPS drivers, will inform consumers where they can pick up their package the following day. This will provide added convenience and flexibility to those who want to pick up their packages on their own schedule.

[!\[\]\(feabb98897b440bc8695a03336a6e2df_img.jpg\) **Boston Herald**](#): Is it any surprise that empirical studies confirm that government bureaucracies have little ability or motivation to cuts their costs? Consider the U.S. Postal Service (USPS). The Government Accountability Office found that USPS lost \$8.5 billion in 2010 alone. A private business operating at a multibillion dollar loss would have failed long ago, but USPS keeps chugging along. It is time to acknowledge that government is wasteful by its very nature. Perennial promises that pols will "clean up" government sound good but offer unending disappointment. Their inability to make good on these promises has little to do with their political or managerial expertise and everything to do with the reality that government has little incentive to spend wisely.

[!\[\]\(9dfdaff1d86ba3c1f8353b4d1b61b8c5_img.jpg\) **PR-USA.net**](#): One of the world's largest international long-distance calling providers, Reliance Global Call, now uses Postcode Anywhere's address verification service in its website.

[!\[\]\(83f22ed94ec5517769dd76d702c6bfd8_img.jpg\) **Tennessee State House Examiner**](#): The United States Post Office (they now like to call themselves the U.S. Postal Service, but calling it the Post Office is actually the constitutional name) has decided that it needs to make cost-cutting measures in order to survive, but the Postal Workers' Union is releasing a series of commercials bemoaning the fact that not only are certain local post offices being closed, but that the Post Office is saying that it might be wise to reduce mail delivery to five days a week. The union doesn't like it, and apparently some politicians don't like the idea either, but this writer has wondered for years why on God's green earth mail is being delivered on Saturday when Saturday is not a regular business day.

[!\[\]\(8d0f0e0fe25b320c33272c52aec1fbca_img.jpg\) **Washington Post**](#): The last time Congress reformed the U.S. Postal Service, legislation took a decade to become law. This time, progress has been made in less than a year. Senate and House bills take different approaches to the goal. But having witnessed debilitating stalemates on deficit reduction, The Post is too quick to criticize the progress made.

[!\[\]\(642aa997563f9a325b310230bb5078b7_img.jpg\) **Washington Post**](#): The fact that delivering the mail is one of the very few things the federal government does that the Constitution specifically authorizes (Article I, Section 8: "The Congress shall have power to .?.?. establish post offices and post roads") does not mean it must do it. Surely the government could cede this function to the private sector, which probably could have a satisfactory substitute system functioning quicker than you can say "FedEx," "UPS" and "Wal-Mart."

[!\[\]\(2b376d1a92330ab09dad2665d2f89bf5_img.jpg\) **The Columbus Dispatch**](#): No word yet on Santa's toy bag, but the post office projects a slightly heavier holiday mailbag for the first time in at least three years.

[!\[\]\(3cb60d42b10e53f9522bb0b392c1c4cd_img.jpg\) **eMoney Daily**](#): FedEx has launched a new 'Connect your Business to a Changing World' business campaign. This new campaign from the transportation giant FedEx Express is aimed at providing business leaders access to content about the trends impacting businesses and economies worldwide.




At the Postal Regulatory Commission:

USPS Preliminary Financial Information (unaudited), October, 2011

<http://www.prc.gov/docs/78/78072/OCT-11%20PRC%20-%20Final.pdf>

http://www.prc.gov/docs/78/78072/Letter_USPS%20PrelimFinanInfo_Oct2011.pdf

November 25, 2011


 **Post & Parcel:** Polish Post is planning a major restructuring process to start January 1, seeking to simplify the operations and improve efficiency and service quality. The move is part of a new strategy at the company seeking to build a profitable group of postal, logistics and financial services divisions that could potentially be floated on the Warsaw Stock Exchange. Polish Post is aiming to double its revenues from parcels and logistics by 2015 and significantly boost income from financial services, while countering the decline in mail revenues.





Window Book: Think you don't have enough volume to drop ship?


Interested in drop shipping small volumes of locally entered mail? Have delivery service issues to problem areas? Interested in getting First-Class delivery service at Standard Mail prices? Then Priority Mail Open and Distribute might be for you! Join Window Book's educational webinar

(Wednesday, November 30, 2011, 2:00 PM - 3:00 PM EST) to learn more about this beneficial USPS program and how you easily can incorporate this option into your operation. After registering you will receive a confirmation email containing information about joining the Webinar.


 **MichaelMoore.com:** Some protests work out better than others. At OccupyWashingtonDC, we could be protesting 24/7, and while we try to plan our actions carefully, sometimes they just don't work out so well. That was the case today when we headed for the National Press Club, just half a block away from Freedom Plaza, intending to mic check the Postmaster General Patrick Donahoe who was speaking at a \$36 a plate luncheon. We'd decided it was a good use of money to get 8 or 10 people in considering that in recent years the Post Office has cut more than 130,000 jobs, closed some small post offices in communities that need them the most, and now they're talking about more cuts and pushing more business to private companies like FedEx and UPS. These moves not only threaten the jobs of postal workers, they also impact the lives of people living in rural communities who depend on postal service for delivery of medicines and goods. Believe it or not, everyone doesn't have computers and email. The U.S. Postal Service is also the largest single employer of vets and African Americans.


 **Hellmail:** E-commerce is the final frontier! Bits become boxes. Whenever the transaction of physical items is required there is a chance to pick, transport and deliver them. And nobody is better prepared than the Posts, especially in delivering to consumers.


 **Telecom Paper:** The French postal service, La Poste, plans to launch ADSL services in the second half of 2012 using customer premises equipment from its partner in MVNO La Poste Mobile, SFR. The two chief executives, Thierry and Marc Zemmour, told Le Figaro that La Poste will sell triple- and quad-play services at competitive rates as it enters an already busy marketplace. In June, Thierry Zemmour had said that La Poste would launch ADSL in 2012, without further precision. Launched last spring, La Poste Mobile has been successful beyond expectations, they said, having recruited over 250,000 customers in six months, plus another 250,000 from Debitel. Half of subscription are for SMS and mobile web plans. La Poste aims to have 2 million telecom customers by 2015.

 **New York Times:** Congress needs to produce a bill that allows the Saturday shutdown as well as the closure of up to 3,700 local post offices where service would be continued through automated outlets at neighborhood businesses. First-class use is plummeting, and annual revenues have dropped from \$75 billion to \$65 billion in the last four years. Postmaster General Patrick Donahoe is pleading for authority to make \$20 billion in cuts by 2015 to let the service fairly compete against private mail and delivery companies. Congress has to reconsider its existing mandate that multibillion-dollar prepayments be made from Postal Service revenues into retirement funds. Mr. Donahoe finds this in excess of real need and wants a private-business option to create a more cost-efficient pension system. As the nation's mail carriers plunge into the holiday rush, Congress should deliver a bonus present of the very thing constituents find in dreadfully short supply — creative compromise from the Capitol.


November 24, 2011


 [FleetOwner](#): As the nightly winter weather forecasts begin to drift into problems related to snow storms, roads closed to trucks and jack-knifed semis, others are looking at severe weather as a golden, if chilly, opportunity. Perhaps topping the list is the idea floated forth in a New York Times piece from Michael Ravnitzky, chief counsel to the chairman of the Postal Regulatory Commission. In it, he suggested that the U.S. Postal Service's fleet of vehicles could be used as a massive data collection network, including gathering and reporting information about the local weather.


 [Uni Global Union](#): Nine union leaders at the UNI europa Post & Logistics committee meeting signed the 40 for 40 declaration, committing to promote gender equality in their unions. Nine union leaders attending the UNI europa Post & Logistics committee meeting signed the 40 for 40 declaration on women's equality.


 [Marketwatch](#): Trade unions in Portugal staged a 24-hour strike on Thursday, to protest austerity measures the government agreed to in exchange for an international bailout earlier this year. Media reports said government offices, schools, postal delivery and other public services would also likely see disruptions.


 [New York Times](#): "Smartphone Apps Send Holiday Greetings"

 [Inside Costa Rica](#): To take advantage of the Black Friday deals offered by online retailers in the United States, two companies are offering Costa Ricans to make their purchases, with reduced discounts on their fees and longer hours of operation. JetBox and Aerocasillas are two companies that offer a mailbox in the United States and online purchases to those who cannot for whatever reason. In terms of delivery, since there are no "traditional" street and number addresses in Costa Rica, your options can include the expensive courier delivery like DHL and UPS or the much less costly postal box offered by Correos de Costa Rica (Post Office).

 [The Slovak Spectator](#): The state-run postal service, Slovenská Pošta (SP), has signed a memorandum of cooperation in the area of e-government with the country's finance ministry to serve as a partner in simplifying citizens' access to the state's electronic services.


 [Handy Shopping Guide](#): With the freight and logistics industries in the UK struggling with reduced demand in the last three years it seems novel to report that one part of the sector is struggling to match seasonal demand and asking potential customers not to use their services. However, that is exactly what the British Forces Post Office (BFPO) which serves military personnel in Afghanistan is asking for. According to the head of British military postal services in the country, Captain Chloe Russell, the usual surge in use of the BFPO at this time of year is being compounded by well-wishers sending parcels to troops they don't know.


 [Businesslife](#): The Jersey Competition Regulatory Authority (JCRA) is proposing to allow Jersey Post to increase stamp prices in 2012. The proposal is set out in a consultation being published today by the JCRA. The existing price control on Jersey Post ends in December and the JCRA is proposing a one-year extension. The proposal to allow Jersey Post to raise prices follows the recent announcement by the UK Treasury that it is to remove Low Value Consignment Relief (LVCR) for imports to the UK from the Channel Islands from 1 April 2012. The JCRA is currently reviewing Jersey's postal sector for the Economic Development Department and will examine measures that the JCRA can take to help support the fulfilment industry in Jersey and support Jersey Post in providing the universal service.

 [Washington Post](#): What the U.S. Postal Service can't win at the bargaining table, it hopes to get in the halls of Congress. If it is successful, it would set a new stage in labor relations that would send shivers through labor organizations far removed from the post office. Even as the USPS is negotiating with its unions, it has unveiled a proposal to have Congress eliminate no-layoff provisions in postal union contracts. Postal negotiators raised that provision during talks that concluded this spring with the American Postal Workers Union, but APWU President Cliff Guffey said the union compromised in other areas to keep the no-layoff provision intact. The layoff clause will probably come up again during negotiations with the National Association of Letter Carriers (NALC), which began


last week, and during discussions with the National Postal Mail Handlers Union, which begin next week. Talks between USPS and the National Rural Letter Carriers' Association are going to arbitration.


 ***At the Postal Regulatory Commission: Postal Regulatory Commission NOTICES Meetings; Sunshine Act , 72727 [2011–30512] [TEXT] [PDF]***

 **Marketforce and the IEA's 15th Annual Conference European Postal Conference**: Join the postal industry's strategists and decision makers at Marketforce and the IEA's 15th annual European Postal Services event. Prepare to face the competition and learn how to position your post more competitively as the impact and potential of digitisation increases. With mail and parcel volumes in flux the right path towards a more profitable and sustainable postal industry is still being established. In a cost constrained environment big questions around the USO remain, and further steps must be taken towards establishing a truly competitive industry. Long-term survival will be built on the foundations that posts lay down now. What will determine the operators' position in the market will be how they restructure and link up their networks without losing touch with the customers at the centre of strategy.

 **Post & Parcel**: Kinek, the network of independent parcel delivery points, has been achieving rapid growth across North America, and now has eyes on establishing a major presence overseas. A Canadian software company turned logistics facilitator, Kinek now co-ordinates a network of 1,300 KinekPoints, mostly in the US, where consumers can receive parcels as an alternative to home or work addresses.

November 23, 2011

 **LogisticsWeek**: FedEx Express (FedEx), a subsidiary of FedEx Corp. and the world's largest express transportation company, today launched an innovative, interactive campaign that puts insight and intelligence on global trends at the fingertips of businesses of all sizes and in all geographies.

 **DigitalJournal**: In response to a missive sent this week by the North Pole, more than 9,000 postal elves have been dispatched to help Santa answer the thousands of letters that are arriving each day. The Santa Letter Writing Program, now in its 30th year, is set to break the 20 million letter mark this year, and Santa has again requested Canada Post's help to ensure all letters are answered and delivered.

 **Multichannel Merchant**: In defense of a bid for an exigent rate increase next year, the U.S. Postal Service claims the recession impacted its finances to the tune of \$2.34 billion during fiscal years 2008-09, according to a Nov. 21 filing with the Postal Regulatory Commission.



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


- Postmaster General Pat Donahoe spoke this week about the need for speed from Congress to get ahead of the steady decline in First-Class Mail. The PMG said that in order to get in front of the steady 7.9 percent in First-Class Mail, the Postal Service needs to get ahead of the cost curve and cut faster than the FCM decline. He points to the plan that was laid out by the USPS in cutting \$20 billion by 2015.
- The U.S. Postal Service announced this week that it plans to increase shipping price an average of 4.6 percent. These prices, pending the Postal Regulatory Commission review, will take effect on January 22, 2012. The price increase will include the USPS' competitive products (Express Mail, Priority Mail, Parcel Select, Parcel Return Service, Global Express Guaranteed, Express Mail International, and Priority Mail International).
- The Postal Service has filed additional documentation in its exigency case before the Postal Regulatory Commission. The filing contains the statement of Thomas Thress that explained and documented the source of change analysis and the statement of Virginia Mayes that calculated the FY2008 and FY2009 contribution losses caused by the recent recession. The Postal Service said that "together, these statements quantify the net adverse impact of the recent recession on the Postal Service's finances during the FY2008 and FY2009 to equal approximately \$2.34 billion."


- The USPS Office of Inspector General (OIG) has released its 3rd paper in its digital series, titled "Bridging the Digital Divide: Overcoming Regulatory and Organizational Challenges." The paper examines current postal regulations as well as the organization of the Postal Service. In reviewing the strategy, the paper emphasizes that the Postal Service has the assets and the infrastructure to operate as a platform bridging physical and digital communications. Additionally, an extensive analysis of the current regulatory environment is conducted and concludes that current regulations do provide a legal path for the Postal Service to operate a digital platform and offer a number of other digital services. Finally, the paper offers a number of action steps for the Postal Service to take on the road to implementing a digital strategy, including developing an infrastructure to foster innovation, reaching out to federal agencies to develop eservices, and working with the Postal Regulatory Commission and stakeholders to quickly develop market tests for a number of digital products.
- The Postal Regulatory Commission has released its contractor report on Peak Load Cost Modeling, which was awarded to the George Mason University technical team, comprised of Robert Cohen, Charles McBride, John Panzar, and John Waller. The main objective of the report ". . . to develop a methodology for measuring the "peak load costs" of various operations of the Postal Service."
- PRC approves USPS' market dominant price increase. Super Committee fails. New Senate postal bill introduced. USPS hires Evercore Partners. A failure to deliver solutions to Postal Service's problems. Time for Congress to fix Postal Service. USPS, two unions, continue negotiations past December 7. NALC uses ad to tell Congress: Save Saturday mail delivery. USPS requests exemption from revenue limit for EDDM-R. Council finds USPS 3rd for operating rev per worker. CPI figure update. MTAC agenda now available.
- Updates from the Federal Register that affect the mailing industry.
- A review of postal news from around the world.
- Postal previews.


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




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


 [Reuters](#): Belgium's postal service has asked its delivery men to hand back the batteries on their electric bicycles after one of them exploded.


 [Scoop](#): A newly revised Australian/New Zealand Standard on rural and urban addressing will be of significant community and national benefit, Debbie Chin, Chief Executive of Standards New Zealand said today. 'Reliable and readily understandable addresses are critical for emergency services, postal services, and the community at large,' says Chin. 'The Standard establishes requirements and guidance for territorial authorities to use for assigning addresses; naming roads and localities; recording and mapping the related information; and the related signage.'


 [The Muskegon Chronicle](#): I say, let's give thanks for our great U.S. post offices, while we still have them. They provide a wonderful service, mandated by the Constitution itself, and represent a proud American institution of government for more than two centuries. Yet here we are, in the midst of one of the worst recessions in U.S. history, and the Congress is poised to throw more wreckage onto the funeral pyre of the American economy.


 [Cuba Standard](#) Following a pattern set by the new state sugar company, the government is planning to slim down Empresa Correos de Cuba and turn it into a decentralized enterprise group of 18 provincial services by the middle of next year, official business weekly Opciones reported. The new postal service will also include divisions for express package service, domestic and international remittances, and insurance.

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


 The U.S. Postal Service closed the fiscal year 2011 (September 30) with a loss in the billions again. At 3.8m euros the losses were considerably lower than the record losses in 2010 (-6.25bn euros), but the U. S. Postal Service would have had to report a loss of almost 7.9bn euros if the Congress hadn't suspended the contributions to the Retiree Health Benefits Fund.


 Growing revenues and an increased operating result marked the business development of Royal Mail in the first half-year (April to September). On Monday this week Royal Mail reported a 4.6% rise in revenues to 5.36bn euros; the operating result more than tripled.


 Did the German regulatory authority struck secret agreements? Citing a letter to the Federal Network Agency, news magazine »Spiegel« (21.11) reported that the regulatory authority, the economics ministry and Deutsche Post agreed on a considerably lower postage decrease than it would have been possible in the course of a secret meeting in 2002


 Austrian Post was able to increase its profit in the first three quarters 2011 due to job cuts and an improved cost structure.


 The Estonian competition authority put Eesti Post in its place again. Last week the authority announced to impose a fine of 36,000 euros on Eesti Post for abusing its dominant position on the market.


 Posten Norge called on the Norwegian government to abolish the six-day delivery requirement. Given the drastic drop in volumes Posten Norge had 'no time to lose' said CEO Dag Mejdell.


 The Supreme Court of Canada imposed a fine of around 110m euros on Canada Post.


 Berlin based Pin AG closed all seven of its post shops in the German capital. According to unconfirmed reports the offices were closed due to the planned introduction of minimum wages.


 The outline of the far reaching changes in Britain's postal market planned by the regulatory authority Ofcom (CEP-News 42/11) are becoming clearer. The currently used price cap regulation 'has failed' and would even pose a 'very real risk to the universal service'. Furthermore the government's plans to privatise Royal Mail were only realisable if potential investors could rely on a 'sufficient period of regulatory stability' in which Royal Mail could implement the necessary modernisation programmes.


 Deutsche Post considers shutting down its subsidiary First Mail. The reason for this is a decision of the higher administrative court in Münster (file number 13 B 1082/11). The court decided last week that First Mail had to comply with an order of the Federal Network Agency to increase its pricing.


 Swiss Post will launch a domestic press-distribution service in Germany at the beginning of next year. On Tuesday it was announced that SPI Germany will take over magazine distribution to wholesalers, station bookstores and subscribers. Initially the service will be available to Swiss publishers and will then be gradually expanded to other - especially small and medium sized - publishers.


 DHL did very well out of a comparative test of 8 CEP services. The German Institute for Service Quality altogether dispatched 80 parcels with DHL, GLS, DPD, UPS, Hermes, Der Kurier, iloxx and GTS Post (which filed for bankruptcy in August; CEP-News 33/11) on behalf of news channel »n-tv«. DHL ranked first in this test while Hermes ranked last among the tested companies. Overall the parcel operators offered short delivery times and a good service. However, more than 20% of the parcels arrived at the recipients damaged and/or filthy. The prices showed a wide spectrum; the variance between the cheapest and the most expensive service was more than 120%.


 British CEP service UK Mail closed a 'satisfactory' first quarter and a 'challenging' second quarter (April to September).

 The stock price of PostNL plunged by more than two thirds since the splitup of the Dutch post.


 According to unanimous media reports Russia Post recorded considerable growth in the first nine months of this year.

 PostNL introduced a new service custom-tailored to the needs of online shopper. MijnPakket (My Parcel) provides the buyer with a summary of all online purchases which will be delivered by PostNL including the estimated date of delivery. Additionally, customers can provide several addresses. Besides delivery to private and business addresses parcels can also be sent to all post offices in the Netherlands.

 The Croatian post achieved a profit in the first nine months of 2011, too.

 From next year on Swiss Post will be headed by a woman for the first time. Susanne Ruoff will

succeed Jürg Bucher, who will retire on September 1 2012. Most recently Ruoff, a 53-year old economist, was a top executive at IBM and served BT Switzerland Ltd. (British Telecom) as CEO prior to this appointment. In the official statement Swiss Post especially emphasised 'her pronounced competencies in the digital realm'. With this expertise she could 'crucially strengthen Swiss Post's executive management in view of future challenges' as the demand of the post's customers for electronic services would rise in the future.

 The supervisory board of the International Post Corporation (IPC) confirmed CEO Herbert-Michael Zapf in his position. His third turn in office will last until July 2015.



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



From the Federal Register: Postal Regulatory Commission NOTICES International Mail Contract , 72452–72453 [2011–30279] [[TEXT](#)] [[PDF](#)]

November 22, 2011



The Republic: The U.S. Postal Service is extending operation hours in Northern Mariana Islands. Postal Service officials announced Tuesday extended service through Nov. 28 at its Chalan Kanoa, Saipan location. The longer hours are to accommodate an expected rise in outgoing mail from the U.S. commonwealth due to a worker authorization deadline issued by U.S. Citizenship and Immigration Services.



National Public Radio: Postmaster: Postal Service In Dire Financial Straits. 



National Association of Letter Carriers: NALC President Fredric V. Rolando held a well-attended press conference at the National Press Club in Washington. He announced a new approach to health benefits that would save the U.S. Postal Service \$20 billion over a decade, and he also spoke more broadly about the need to develop a positive business plan for the future of the Postal Service. Update on health benefits bargaining: Some media reports have inadequately described our position on health benefits. NALC has made no agreements with the Postal Service on health care for active members or retirees, either within or outside of FEHBP. We have agreed to seriously explore mutually acceptable ways to deliver high-quality health benefits at a lower cost both to the Postal Service and to its employees. No agreement will be made that does not have the support of the NALC's membership.





American Postal Workers Union: Postal workers are under constant attack by the forces of privatization. Unfortunately, this group includes the Postmaster General, members of the Board of Governors, some members of Congress and others. Privatization is a clear and present danger — facility by facility, operation by operation, and job by job.



Bloomberg: The U.S. Postal Service, which forecasts a record \$14.1 billion loss for the 2012 fiscal year, said it hired Evercore Partners Inc. (EVR) to "review and advise" on restructuring. "The U.S. Postal Service must make fundamental changes to its business model to return to profitability and continue its mission of providing quality service to every address in the nation," the agency said today in an e-mailed statement. The Postal Service, based in Washington, has said it may run out of money to operate next year. The agency, which is closing post offices and wants to cut 220,000 jobs by 2015, seeks to cut Saturday mail delivery and convince Congress to let it delay payments for health benefits of future retirees. The bills Congress is considering don't do enough to address the service's financial crisis, Postmaster General Patrick Donahoe said yesterday. Evercore, founded by former U.S.

Deputy Treasury Secretary Roger Altman, is also advising Ally Financial Inc., the lender that is 74 percent owned by the Treasury Department, people, who declined to be identified because the discussions are private, said earlier this month. Evercore, a New York-based investment-banking firm, has advised PMI Group Inc. (PMI), the mortgage insurer whose main unit was seized by Arizona regulators last month, and Kinder Morgan Inc., a natural-gas pipeline company. See also the [Wall Street Journal](#).

 **U.S. Postal Service:** Postal Service customers will be able ship a box for overnight delivery anywhere in the country for one price regardless of weight (up to 70 lbs) starting Jan. 22, 2012. That's when the Express Mail Flat Rate Box debuts and new Shipping Services prices take effect. The overall price change for all Shipping Services is 4.6 percent, with Priority Mail prices increasing an average 3.1 percent and Express Mail prices increasing an average 3.3 percent. The Postal Regulatory Commission (PRC) will review the prices before they become effective Jan. 22, 2012, the same day Postal Service Mailing Services prices take effect. Today's Shipping Services price filing will be available on the PRC website at www.prc.gov and the new Mailing Services prices are available at <http://pe.usps.com>.

 The Association for Postal Commerce has submitted to the U.S. Postal Service [comments on the USPS' proposed rules](#) concerning New Standards for Domestic Mailing Services, published by the USPS in the Federal Register on October 24, 2011.



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

[Bridging the Digital Divide: Overcoming Regulatory and Organizational Challenges \(RARC-WP-12-004\)](#)


The Risk Analysis Research Center has released the latest in its series on the Postal Service's role in the digital age. The white paper, written by consultant Joy Leong, includes an extensive analysis of the current regulatory environment and concludes that current regulations do provide a legal path for the Postal Service to operate a digital platform and offer a number of other digital services. The paper also highlights a number of actions the Postal Service can take on the road to implementing a digital strategy, including developing an infrastructure to foster innovation, reaching out to federal agencies to develop e-services, and working with the Postal Regulatory Commission and stakeholders to quickly develop market tests for a number of digital products.


At the Postal Regulatory Commission:


- **R2012-3 Order No. 987** - Order on Price Adjustments for Market Dominant Products and Related Mail Classification Changes. http://www.prc.gov/docs/77/77970/Order_No_987.pdf


"The Commission has reviewed the pricing proposals for consistency with the requirements of title 39. Pursuant to 39 CFR 3010.13(j), the Commission finds provisionally that the planned price adjustments are consistent with 39 U.S.C. 3622. More specifically, the Commission finds that the proposed prices do not violate the price cap in 39 U.S.C. 3622(d); are consistent with, or justified by an exception to, the workshare discount limitations in 39 U.S.C. 3622(e); and establish prices that satisfy 39 U.S.C. 3626."


- **POSTAL REGULATORY COMMISSION Meeting** Wednesday, December 7, 2011, at 11 a.m. Commission Hearing Room 901 New York Avenue NW, Suite 200 Washington, DC 20268-0001 Portions Open to the Public 1. Election of the Vice Chairman. 2. Report on Legislative Activities. 3. Report on Public Participation. 4. Report on International Activities. 5. Report on the Status of the Strategic Rulemaking Process. 6. Report on Pending Dockets. 7. Report on the Activities of the Office of the Secretary. Portion Closed to the Public 8. Discussion of Pending Litigation. The open portion of the meeting will be audiocast. The audiocast may be accessed via the Commission's website at <http://www.prc.gov>. For more information, please contact: Shoshana M. Grove, Secretary of the Commission, at 202-789-6800 or shoshana.grove@prc.gov


 [Los Angeles Times](#): As a newspaperman, I know a little something about antiquated business models. Simply put, the postal service can no longer raise the money it needs to do the job it's required to do. Period. It just isn't economically feasible. A couple of years ago, after the postal service reported losing a mere \$3.8 billion, I asked whether it was time to think about privatizing mail delivery. The problem with that idea quickly became apparent when both FedEx and UPS told me they weren't interested in the job. Because the private sector was unable (or unwilling) to take on the responsibilities of universal mail coverage, there was a need for the government to remain involved, one way or another — just as such a government role appears necessary for universal healthcare coverage.

 [Manteca Bulletin](#): Pity the United States Postal Service. In a bid to stem a downward slide in business they've resorted to trying to scare businesses into avoiding the Internet.

 [The Guardian](#): Digital communication has left every postal service in the world struggling to cope with a loss of trade, but long before that happened the British Post Office found its own peculiar difficulties, created in part by its Victorian success. Like much of British industry, it found modern inventions a nuisance. The government persuaded the PO before the first world war to take over a ramshackle telephone system, owned by a dozen different companies, but throughout the 1920s the PO did almost nothing to extract more money from what was a monopoly asset. Britain ranked 12th in the world in the number of telephones per 1,000 people in 1929. Among cities, London came as low as 27th. Marketing was an anathema. A small revolution occurred in the 30s – when the PO snapped awake to the potential of telephones and in Night Mail commissioned one of the most brilliant publicity films ever made – but it went on thinking of itself primarily as a deliverer of letters; not unreasonably, because letters still accounted for 90% of its income.

 [Washington Post](#): Negotiators for the U.S. Postal Service and two of its labor unions will continue talking for two and half more weeks after current labor contracts expired at midnight Sunday.


 [Express](#): A rise in online shopping has sent Royal Mail's profits soaring – to £67million for the six months to September, up from £22million last year. Ever more Britons are having internet purchases delivered, so the number of packages sent rose five per cent to about 400 million items a day. It helped the parcels arm make a profit of £58million while the business arm made £55million. But the number of letters posted plunged to its lowest level in 20 years, with a six per cent drop to just 59 million daily, about 20 million fewer than five years ago. That lost more than £40 million.


 [Postalnews Blog](#): "Why postal 'bankruptcy' doesn't make sense."

Mailers' Technical Advisory Committee (MTAC)

[Committee](#) has been posted on this site.


A copy of the [agenda for the November 30 – December 1, 2011 meeting of the Postmaster General's Mailers Technical Advisory](#)


 For those who missed PMG Pat Donahoe's presentation at the National Press Club, here's a link to a recording of his speech: <http://www.c-span.org/Events/Postmaster-General-on-the-Future-of-the-Postal-System/10737425634-1/> A copy of the Postal Service's press release on the PMG's Press Club speech is available as well.

 [At the Postal Regulatory Commission](#): New documents on the Exigency Case (Docket No. R2010-4) have been filed:

- <http://www.prc.gov/Docs/77/77931/NoticeofFiling.pdf>
- <http://www.prc.gov/Docs/77/77931/ThressStatement.pdf>
- <http://www.prc.gov/Docs/77/77931/MayesStatement.pdf>
- <http://www.prc.gov/Docs/77/77931/MayesAttach.xls>
- <http://www.prc.gov/Docs/77/77953/Preface.doc>
- <http://www.prc.gov/Docs/77/77953/FY08.09.Recessn.Conversion.xls>

- <http://www.prc.gov/Docs/77/77953/Sources-of-Change.zip>
- [FY 2008 and FY 2009 Recession-Related Volume Loss Documentation](#)

 **Reuters:** Lawmakers' proposals to overhaul the U.S. Postal Service would not give the near-bankrupt agency flexibility to find billions of dollars in savings needed to return to profitability, Postmaster General Patrick Donahoe said on Monday. Leading bills in the House of Representatives and the Senate would not allow the agency to immediately end Saturday mail delivery and would impose some limitations on facility closings, Donahoe said during a National Press Club luncheon. "If passed today, either bill would provide at best one year of profitability, and at least a decade of steep losses," said Donahoe. See also [Businessweek](#), the [Washington Post](#), and the [New York Times](#).

 **Federal News Radio:** Protesters interrupt Postmaster General Donahoe's speech.

November 20, 2011




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


[Offering eMailboxes to Consumers: An Opportunity for the Postal Service?](#)


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


- [FY 2012 Financial Statements Audit – San Mateo IT/ASC – 12BM003FT000](#). This audit is in support of the Independent Public Accountant's audit opinion on the financial statements. The San Mateo Information Technology/Accounting Service Center (ITASC) is one of three Postal Service Accounting Service Centers and is a large, centralized accounting and disbursement center responsible for accounts payable, centralized postage payments, capital personal property, motor vehicles, and supply inventory. The Office of Inspector General annually, issues financial statement audit reports for the San Mateo ITASC, headquarters and the other two Accounting Service Centers in Eagan, MN and St. Louis, MO.
- [Research – Marketing and Brand Promotion – 12RG011MS000](#). The Postal Service offers many products and services to meet the specific needs of various customer segments. The Postal Service uses a variety of strategies to promote and market these offerings and the overall Postal Service brand. This audit will focus on reviewing USPS's marketing and brand promotion efforts, including evaluating the effectiveness of its efforts to advertise its products and services.
- [Delivery Reduction Impacts – 12RG014MS000](#). Mail delivery is central to the Postal Service mission and role in providing services to bind the nation together through the personal, educational, literary, and business correspondence of the people. The Postal Service is required by law to provide prompt, reliable, and efficient delivery and collection services to the entire U.S. population. These and related requirements are commonly referred to as the "Universal Service Obligation". The Postal Service provides three primary modes of delivery for existing delivery points: door-to-door, curbside, and centralized. There are two types of postal carriers: city and rural. City carriers deliver in populated areas, while rural carriers deliver mail in areas more traditionally considered rural or remote. The Postal Service and its stakeholders are considering a proposal to curtail one day of mail delivery. Our audit will review the impact of delivery reductions on Postal Service customers and revenue generated by carrier programs.


 **Postal Consumer Council:** "Market Comparison #4 - Operating Revenue per Postal Worker"


 **National Association of Letter Carriers:** The NALC placed a targeted full-page advertisement in three Capitol Hill newspapers on Nov. 17, to tell members of Congress and the Joint Select Committee on Deficit Reduction—the "super committee"—that ending Saturday mail delivery is a bad idea that hurts the public, small businesses and the U.S. Postal Service.


 [The Nation](#): The Federal Government has declared its intention to withdraw its N7bn funding of the Nigeria Postal Agency from January 2012. The purpose is to create an avenue for the commercialisation of the agency.

 [Reuters](#): Britain's Royal Mail GBPO.UL said first-half operating earnings more than trebled as higher profit from branch and express parcel operations offset persistent losses on letter delivery. The state-owned postal operator, which the government is hoping to privatise, lifted operating profit to 67 million pounds from 22 million the year before.

 [MSNBC](#): Free shipping promotions have built tremendous momentum in just one year according to Stamps.com® (NASDAQ: STMP), the leading provider of USPS® postage online and shipping software to over 400,000 customers. In its second annual survey on e-commerce shipping practices, Stamps.com reports that 68 percent of e-commerce sellers are planning to offer free shipping on more products during the 2011 holiday season, up from 53 percent in last year's holiday season. Further backing the free shipping surge, 54 percent of survey respondents plan to offer the promotion on more than 50 percent of their holiday catalog -- an 11 percent increase from last year's holiday season. In addition, free shipping has proven to increase profits with 52 percent of respondents reporting that their average revenue per order increases by \$8 or more.


 [C-SPAN](#): Postmaster General Patrick Donahoe will provide a synopsis of the organization's financial situation and take questions in an address at the National Press Club.


 [News Portal of Sri Lanka](#): Sri Lanka's Postal trade union coalition has called off their strike after discussions held this morning with the Minister of Postal Services Jeewan Kumaratunga. The trade union action was launched by 17 postal trade unions, with 22,000 Membership on November 13 based on several demands including immediate removal of the Postmaster general. It was reported yesterday that around 1,600,000 letters and registered mail had piled up at the Colombo Central Postal Exchange as a result of the trade union action.(niz)


 [PRNewswire](#): Although the contracts with the National Association of Letter Carriers, AFL-CIO (NALC) and the National Postal Mail Handlers Union, AFL-CIO (NPMHU) expired at midnight Sunday, Nov. 20, the Postal Service and the two unions agreed to extend the negotiations deadline until midnight, Wednesday, Dec. 7, 2011.


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

November 19, 2011


 [Dead Tree Edition](#): With news reports of the U.S. Postal Service talking to restructuring advisors and being close to bankruptcy, it's time to ask what might seem like a silly question: Are Forever Stamps really forever?


 [Wall Street Journal](#): Nearly half of U.S. consumers say they will shop online this holiday season, up from about a third last year, according to a recent survey from the consulting firm Deloitte. Sixty-eight percent of retailers expect online sales to rise by at least 15% this holiday season, according to the National Retail Federation. That is more than five times the industry group's forecast for a 2.8% gain overall. Spending by affluent households is expected to make or break the holiday season for many retailers this year. Shipping companies are gearing up for the crush. FedEx Corp. predicts a 12% rise in activity between Thanksgiving and Christmas this year, to an estimated 260 million shipments.


 [Wilmington News Journal](#): The mail discount helps nonprofits raise money cost effectively. Communicating with our current donors and recruiting new friends is extremely important to us and the thousands of people we serve. Every dollar we raise privately and invest in feeding, clothing, addiction rehabilitation, educational and spiritual rehabilitation programs is one less dollar the government needs to invest. In fact, because of our efficiencies, every dollar we raise and invest becomes four less dollars that government needs to raise.


 [Tulsa World](#): The U.S. Postal Service says it can save about \$11 million annually while eliminating almost 600 jobs by transferring Tulsa's processing and distribution center operations to Oklahoma City. The proposed transfer is


part of a massive Postal Service effort to shrink operations nationally in the face of rapidly declining volume. It has closed 186 processing facilities since 2006 and proposes closing about two-thirds of the remaining 487 over the next two years.


 [PR-USA.net](#): Zimpost's footprint and network within retail, advertising, financial and agency services gives the company a distinct competitive advantage according to Douglas Zimbango, Managing Director (MD). "Because of our distribution network, we reach some places where conventional shops are not available or if they are, they will be selling at high prices," he says. Zimpost has also established partnerships with several companies in Zimbabwe in order to broaden its range of services available. As well as being an outlet for the People's Own Savings Bank, Zimpost is also the sole licensing agent for the Zimbabwe National Roads Authority. Zimpost also works closely with three mobile companies in Zimbabwe and sells air time to customers on their behalf.


 [Belleville News Democrat](#): If the U.S. postal service were a private business, it would be out of business. But if the postal service were a private business, it wouldn't have Congress -- more concerned about protecting union jobs than the public's best interests -- obstructing it from cutting costs by eliminating Saturday deliveries, closing many small post offices and laying off workers. Without Congress it might also avoid having to prepay \$5 billion for future health insurance costs for retirees.

 [The San Diego Union-Tribune](#): Congress' decision this week to again delay the deadline for the U.S. Postal Service to pay \$5.5 billion to the U.S. Treasury for future retiree health benefits – this time from Nov. 18 to Dec. 16 – was billed as a necessary move to deal with a complex problem. What it looks like to us is yet another failure to confront the postal system's financial crisis head-on. The Postal Service's issues are well-known. So no more delays, Congress. Stop leaving this problem hanging.


 [Washington Post](#): Congressional negotiators made a yet another push Friday to carve \$1.2 trillion in savings from the federal debt, but remained stuck in their entrenched positions on tax policy even as the clock was running down on their efforts to reach a deal. Running from one small huddle to the next, lawmakers on the special deficit committee continued trying to reach a compromise before a Wednesday deadline. After that, the panel loses special legislative advantages that could help its recommendations win congressional approval. Lawmakers and aides said they need a breakthrough by Monday night to leave enough time for getting an official audit of their work from the Congressional Budget Office. With little progress in efforts to reach the \$1.2 trillion target, Republicans on the "supercommittee" worked with House Speaker John A. Boehner (R-Ohio) to develop the more limited plan. Republicans proposed to achieve about \$640 billion in savings over the next decade, primarily through cuts to domestic agency budgets, a pay freeze and bigger pension contributions for federal workers, cuts in farm subsidies, **an overhaul of the postal service** and an array of other spending cuts and revenue raisers.


 [Washington Post](#): THE 21ST CENTURY Postal Service Act of 2011, proposed by Sens. Joseph I. Lieberman (I-Conn.) and Susan Collins (R-Maine) and passed last week by the Senate Committee on Homeland Security and Governmental Affairs, is not a bill to save the U.S. Postal Service (USPS). It is a bill to postpone saving the Postal Service. The Collins-Lieberman bill, which transfers \$7 billion from the Federal Employee Retirement System to the USPS — to be used for offering buyouts to its workers and paying down debts — can stave off collapse for a short time at best. Nor do the other measures in the bill offer much hope. We are sympathetic to Congress's wish to avoid killing jobs. But this plan hits the snooze button on many of the postal service's underlying problems. There is an alternative — a bill proposed by Rep. Darrell Issa (R-Calif.) that would create a supervisory body to oversee the Postal Service's finances and, if necessary, negotiate new labor contracts. The bill, which just emerged from committee, is not perfect, but it offers a serious solution that does not leave taxpayers on the hook.


 [WJBC](#): The U.S. Postal Service made a special delivery this week. Letter carriers delivered 500,000 signatures to Washington as a show of support to Congress for keeping six-day delivery. Eliminating Saturday service is one idea that's been floated as a way to save the cash-strapped postal service.


 [National Association of Letter Carriers](#): The 2006-2011 National Agreement between the NALC and the USPS expires at midnight Sunday, Nov. 20. The entire 28-member NALC Executive Council is in Washington, DC,


conducting round-the-clock contract negotiations as the parties consider a whole range of issues that take into account the economy, wages, cost-of-living adjustments and health benefits.


 **S. 1853:** "To recalculate and restore retirement annuity obligations of the United States Postal Service, eliminate the requirement that the United States Postal Service pre-fund the Postal Service Retiree Health Benefits Fund, place restrictions on the closure of postal facilities, create incentives for innovation for the United States Postal Service, to maintain levels of postal service, and for other purposes."

 **WAMC:** The U-S Postal Service, which lost 5 billion dollars last year, is reviewing thousands of post offices and hundreds of mail processing centers for possible closure or consolidation. Critics of a change proposed in western Massachusetts say the result would be that so-called snail mail would get even slower WAMC's Pioneer Valley Bureau Chief Paul Tuthill reports.

 **The State Journal:** Rep. Nick Rahall, D-W.Va., has expressed his "extreme disappointment" that a mail processing facility in Bluefield has fallen victim to the United States Postal Service's hard times. Rahall wrote to USPS chief operating officer and executive vice president about the closure, saying the postal service poorly handled public meetings in southern West Virginia "as further evidence that the postal service is being dismissive of the needs and concerns of rural citizens." "My constituents are very upset about the closure of the Bluefield processing center and I am convinced that it further cements the impression of many that these public meetings are merely for show and that their concerns are not being taken seriously," Rahall said in the letter. "In many areas of my district, there is no cell phone service, no Blackberries, no Internet. Residents and businesses depend on their post office for basic communications, for sending letters, paying bills, receiving medication. When my constituents try to make these points, many of them think the postal service has turned a deaf ear to their concerns."


 **San Gabriel Valley Tribune:** More than 100 people, many of them postal workers, gathered at a town hall meeting here Thursday night to oppose plans to shut down operations at a large mail-processing center in Industry. Under the proposed plan, first-class mail services would be shifted from Industry to Santa Ana. Parcel service could eventually be shifted the postal service's Anaheim center. Postal officials estimated the changes could save \$5 million annually.


 **Lanka Business Online:** The Indian government is likely to discuss the proposal to form South Asian Postal Union, a move that will enhance regional cooperation and can lead to reduction of postal tariffs among SAARC member states.

 **Ofcom:** There is widespread recognition that the approach to regulation adopted in the past, has failed in the face of the particular circumstances affecting this sector. To date, the approach adopted has been based on price controls - similar to those used in most other utility sectors. In normal circumstances this approach is an effective means of preventing private operators from earning excessive profits, thereby providing incentives for firms to reduce costs, while at the same time protecting consumers from excessive prices. The recent experience of postal regulation, however, has demonstrated all the weaknesses of price controls with none of the benefits. In a highly uncertain market, price controls have removed the flexibility that would allow Royal Mail to adjust to changes in demand, while at the same time Royal Mail has been unable to improve efficiency, either at the rate expected by the regulator when the price control was set, or at the rate set by its own internal targets at the time. We therefore consider that price controls in this sector have failed in recent years. The reasons for this are clear. A price control also reduces the flexibility of Royal Mail to adapt to unexpected changes in the market and its operating environment.


 *At the Postal Regulatory Commission:*


- **Docket No. MT2011-3:** The United States Postal Service hereby requests an exemption from the revenue limitation of \$10,000,000 in any year during the test of experimental market dominant product – Every Door Direct Mail Retail (EDDM-R).
- **Report On Peak Load Cost Modeling**


 [Wall Street Journal](#): Congress's last-gasp deficit-cut talks broke into two tracks Friday, with members of a special committee continuing to seek an elusive \$1.2 trillion deal while party leaders discussed a smaller, backup plan in case they fail. Talk of a Plan B reflected the bleak outlook facing the committee as it heads into its final days. It technically has until Wednesday, but the real deadline is midnight Monday, since members by law need 48 hours to scrutinize any plan before voting on it. If Congress falls back to a smaller plan, or stumbles completely, automatic spending cuts would kick in to bring the total deficit cut over 10 years to \$1.2 trillion. Such an outcome would be seen as a failure, including by lawmakers who created the committee with the express purpose of hammering out a sweeping deficit-cutting deal that has eluded them all year long.

 [Wall Street Journal](#): United Parcel Service Inc. (UPS) plans to raise its rates next year 4.9% for ground package shipping, air shipping and, for packages originating in the U.S., international shipping. The new net rates reflect higher base rates but lower fuel surcharges. The rate increase for ground shipments is based on a 5.9% increase in the base rate minus a one percentage point reduction to fuel surcharge. The rate increase for air and international shipments is based on a 6.9% increase in the base rate minus a two-point reduction in fuel surcharge. The company also raised some freight rates, saying its next-day and second-day air freight rates for shipments within and between the U.S., Canada and Puerto Rico would rise 5.9%. Three-day freight rates will stay the same.

November 18, 2011

 [Stuff](#): Tax practitioners are frustrated at the Inland Revenue Department's ongoing aversion to email, saying relying on the postal service is out of step with modern business practice.

 [The Columbus Dispatch](#): We have come a long way since the time 40 years ago when some politicians got the bright idea that the post office should make money. Apparently the politicians did not recognize that the basic function of a post office is to provide service. An organization can provide service and not make money or make money and not provide service, but it is difficult to both provide service and make a profit. Furthermore, when a service organization turns to making profit, service frequently suffers.

 [Washington Post](#): There were 59 million fewer visits to post offices in 2010 than in 2009, and visits are down 21 percent over the last decade, according to a new Government Accountability Office report. (Ironically — despite searching high and low for a number — the report doesn't actually say how many visits were recorded in 2010.) The report urges the U.S. Postal Service to do a better job of planning for the future of its retail network, which is more likely to include what GAO describes as "retail alternatives," including self-serve kiosks and smaller shops located within large supermarkets or retailers like Office Depot or Target.



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


- The Postal Service released its 2011 Form 10-K this week to major headlines reading "USPS loses \$5.1 billion." Although this fact is true, the Postal Service was on schedule to lose \$10.6 billion if not for the continuing resolution that was passed and signed by the President in September. The resolution deferred, not eliminated, the Postal Service's \$5.5 billion retiree health benefit payment that was due on September 30 to November 18. This week, Congress announced that this payment was deferred once again to December 16.
- The USPS is in the process of reviewing over 4,000 comments received in response to its advance notice of proposed rulemaking outlining changes in service standards and network optimization. Comments received by the USPS include those from major mailer associations such as PostCom, individual mailing businesses and mail service providers, state/city/local governments, concerned citizens, small businesses, members of Congress, financial institutions, publishers, and others. Some of the comments focused on specific facility closings while others focused on how the proposed service standards changes would impact their business or use of the mail. PostCom offers highlights from the comments received by the USPS.
- The Postal Service published its unaudited September results with the Postal Regulatory Commission. USPS made \$3.7 billion in September 2011. Yet the year-to-date loss for FY2011 is \$5.1 billion. The Postal Service's controllable operating loss for the year is \$2.4 billion.

- In a recent Time Techland article, The Man Who Invented Email, reporter Doug Aamoth interviews V.A. Shiva Ayyadurai, who holds the first copyright for "EMAIL" - a system he began building in 1978 at just 14 years of age. His journey with email began when he was asked to turn traditional mail into an electronic mail system. The original system that Shiva created was set up for doctors to communicate electronically using the template they already used for memos.
- According to the OIG, "this white paper, the fourth in the series, presents a case for offering an e-mail service called the "eMailbox" and an accompanying highly secure data storage area service called the "eLockbox," which provides added security for the archiving of important legal and personal documents. Together, these services reflect a natural extension of the Postal Service's role in the physical world, providing a digital service linking every American household and business in a secure, private communications network designed with anywhere, anytime accessibility."
- According to Dead Tree Edition, "it's still not clear whether the U.S. Postal Service's \$1.4 billion investment in the Flats Sequencing System will pay off, according to the chairman of the Postal Regulatory Commission says."
- According to Thomas Quinlan, president and CEO of RR Donnelley, "while American businesses continue to be buffeted by economic headwinds, the U.S. Postal Service faces an even grimmer set of challenges. On Tuesday the Postal Service announced losses totaling \$5.1 billion for 2011. At its current pace, without bold reforms, America's postal system could run out of money and shut down within the next year."
- USPS revises pricing for Std Mail Saturation Flats DALs. Abuse of power: Bypass mail bill could violate US Constitution. MTAC releases 2012 calendar. USPS proposal to leave federal health benefits program questioned. PRC to hold tech conference. USPS said to weigh hiring restructuring advisors. NALC President speaks about USPS losses. Postal Service to resume pension payments. Congress strikes 2012 budget deal for some agencies, including USPS. Cash-strapped USPS still owes retired postmaster. How the USPS fell apart. USPS 'exigent' rate rise may take months to decide, regulators warn. From the USPS Board of Governors meeting.
- Updates from the Federal Register that affect the mailing industry.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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



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

 **Hellmail**: TNT Post UK has launched a new unique Easy Response Card (ERC) - a normal postcard where the addressee is on a peel-able address label that can be removed by the consumer with a return address and pre-printed stamp ready to be posted back to the company. An ERC is the perfect embodiment of the marketing motto – short and simple. It will get the message across quickly and directly. The card is easily returned by the customer making the entire procedure effortless for them but invaluable for market intelligence and ROI. Ideal as a marketing tool, the ERC will provide quick and accurate results for any purpose that is employed making it a wise choice for any budget. This innovative service enables clients to contact customers in a smart and efficient manner and elicit the easiest possible response with minimal effort for the customer.



From the Federal Register:

- **Postal Regulatory Commission** *PROPOSED RULES* Periodic Reporting , 71498–71500 [2011–29813][[TEXT](#)] [[PDF](#)] *NOTICES* Market Tests: First-Class Tracer , 71610–71611 [2011–29808][[TEXT](#)] [[PDF](#)]
- **Postal Service** *NOTICES* Meetings; Sunshine Act , 71611 [2011–29912] [[TEXT](#)] [[PDF](#)]

[Politico](#): In 2012, voters will need to reach a verdict on the president, and the GOP is hoping that voter frustration with his policies transfers down the ballot.

[Politico](#): House Speaker John Boehner dropped by a D.C. fundraiser Wednesday appearing downtrodden and pessimistic. After 2½ months of painstaking negotiations, the deficit supercommittee he helped create was nowhere near a deal. The committee had a "long way to go," and they'd have to "pull a rabbit out of a hat" to succeed, Boehner said. "There are fundamentally and deeply held views across the American political spectrum and here in Congress," Sen. Pat Toomey (R-Pa.), a member of the supercommittee, told POLITICO. Now it's on the brink of failure with a Nov. 23 deadline looming, and members of Congress increasingly believe that voters, not politicians, will send a clarifying message on who's wrong and who's right on the great fiscal crisis.

[The Hill](#): The U.S. Postal Service, which faces serious financial challenges, needs to dramatically revamp its retail network, a new federal audit has found. But the Government Accountability Office also found that, while USPS is doing what it can to increase consumer awareness about changes it's making, it cannot know with any certainty whether its efforts have been successful. "USPS has not assessed whether its message is reaching its customers, such as by using one of its existing customer surveys, and therefore does not know to what extent customers are aware of and willing to use its various retail alternatives," the report, released Thursday, found. The report comes just days after the Postal Service announced that it lost \$5.1 billion in fiscal 2011, even after a mandatory \$5.5 billion prepayment for retiree health care benefits was pushed back by Congress.

[Nigerian Tribune](#): Working on the theory that the customer is king, the Nigeria Postal Service (NIPOST) has reiterated its commitment to satisfying its numerous customers.

[UPI](#): About 6,000 people, mostly women, who worked for the Canadian postal service could share up to \$250 million under a Canadian Supreme Court ruling Thursday. The high court's ruling came in a pay equity case brought 28 years ago, the Canadian Broadcasting Corp. reported. Most of the workers who will receive the retroactive payments are now retired.

[Washington Post](#): The folks at the American Postal Workers Union didn't like a column that said the union was "disingenuous to use vets" as it did in a television spot against postal legislation that could lead to layoffs.


November 17, 2011


[Washington Times](#): In a year when the U.S. Postal Service lost more than \$5 billion, **former Postmaster General John E. Potter still received more than a quarter-million dollars thanks to a hefty deferred-compensation package, a "lifetime achievement award" and a severance deal**, records show. What's more, **the cash-strapped Postal Service still owes more than \$800,000 to Mr. Potter** - the result of years of incentive awards that were deferred to avoid running afoul of federal compensation caps. Under federal rules, top postal executives can receive up to 120 percent of the salary of the vice president of the United States, which is \$230,700 for 2011. But saying the cap doesn't provide the sort of compensation needed to retain top executives, the Postal Service's board of governors has paid more money to executives through special incentive awards, particularly to Mr. Potter. Because he was earning the maximum salary as postmaster general, most of his incentive payments were deferred until after his retirement.





[ERR News](#): The Competition Authority has fined Eesti Post 36,000 euros for giving a company unfavorable treatment compared to its own subsidiary. The postal service, which has market dominance, provided services to Itella Information AS on unfavorable terms, according to the regulator. Itella Information arranges bulk mailings, providing printing, collation and envelope stuffing services. The Eesti Post subsidiary Eesti Elektronpost AS provides the same services.

[Investor Place](#): The Postal Service is like the U.S. auto industry before the bailout. General Motors and Chrysler have emerged from bankruptcy stronger than ever. And Ford is in the best financial shape of the Big 3 because it didn't need a bailout. The auto industry survived the short-term pain and now is seeing long-term gain. The same future could await the USPS if the politicians in Washington and the postal unions can muster the will to do it.


 **Dead Tree Edition:** Here's a factoid that defies the conventional wisdom about printed magazines being passé and the U.S. newsstand system having one foot in the grave: Sales of bookazines are up nearly 20% this year, according to industry consortium MagNet.

 **Time:** The U.S. Postal Service has been sliding down an unsustainable fiscal path for years. A toxic combination of a poor economy, an increase in online bill paying, the proliferation of e-mail and other digital communication and congressional mandates have created billion-dollar deficits for the USPS since 2007. Enter Patrick Donahoe, the 55-year-old Pennsylvanian who became the nation's 73rd postmaster general in October of last year, perhaps the rockiest time in the history of the place. Donahoe has worked at the postal service for 36 years, first as a clerk in his hometown of Pittsburgh. He eventually worked his way up to the office that Pennsylvania's Benjamin Franklin once held, postmaster general. Speaking to TIME, Donahoe calmly laid out his plans to fix the USPS's predicament: reducing costs by \$20 billion through 2014, pushing Congress to approve five-day rather than six-day delivery, laying off tens of thousands of workers. Listening to his sleepy Pennsylvania accent, one could easily forget that he's talking about gutting and radically transforming an American institution.

 **Log Cabin Democrats:** Members of Arkansas' congressional delegation are trying to do their jobs, but they and the rest of Congress are making it harder for Postal Service officials to do theirs. Postal officials recognize that the world has changed and, like any business would, are trying to cut costs by reducing staff, ending Saturday delivery and closing 3,653 post offices. You can't cut government spending without actually cutting government spending, and if the post office can't pay its bills, then it will have to be bailed out by the taxpayers.


 **Roll Call:** Partisan sniping, ultimatums and strategic leaks overtook the super committee Wednesday as the troubled panel struggled to agree on a way to cut the deficit by \$1.2 trillion just seven days before its deadline

November 16, 2011

 **Post & Parcel:** US regulators said today that any move by the US Postal Service to seek an "exigent" increase in postal rates could take months to review. The Postal Regulatory Commission convened today for its first public meeting since the USPS decided to pursue its long-running bid for an above-inflation price rise to counter the financial impacts from the 2008-09 recession. Officials said that they did not yet know what evidence the Postal Service would present to back up its latest effort to claw potentially \$2.3bn in extra postal income through higher product pricing. USPS will have to present evidence to show the recession did have an "extraordinary" affect on its bottom line that was outside its control. Even once evidentiary hearings are complete, the Commission could find it difficult to come to a decision on the rate change within a 90-day period.

 **Ofcom: Report on Securing Universal Postal Service.**

- Main Page. <http://stakeholders.ofcom.org.uk/consultations/securing-the-postal-service/>
- Full Report. <http://stakeholders.ofcom.org.uk/binaries/consultations/securing-the-postal-service/summary/condoc.pdf>
- Annex on Regulatory Financial Reporting. <http://stakeholders.ofcom.org.uk/binaries/consultations/securing-the-postal-service/annexes/Annex6.pdf>
- Annex on Access. <http://stakeholders.ofcom.org.uk/binaries/consultations/securing-the-postal-service/annexes/annex7.pdf>
- Regulatory Accounting Guidelines. <http://stakeholders.ofcom.org.uk/binaries/consultations/securing-the-postal-service/annexes/deloitte.pdf>
- Media Briefing. <http://stakeholders.ofcom.org.uk/binaries/consultations/securing-the-postal-service/annexes/slides.pdf>
- Financeability of the Universal Service (Consultants Report) <http://stakeholders.ofcom.org.uk/binaries/consultations/securing-the-postal-service/annexes/Financeability.pdf>

 **Roll Call:** *Thomas Quinlan, CEO R.R. Donnelley* -- While American businesses continue to be buffeted by economic headwinds, the U.S. Postal Service faces an even grimmer set of challenges. The greatest challenge facing

the USPS is that it's an overbuilt system designed for the demands of the 20th century. But with cost-cutting and streamlining to bring its resources into balance with demand — the same tough measures taken by thousands of American businesses during this economic downturn — it can be strengthened to meet this century's unique demands. Printed mail offers many benefits, but companies have more choices than ever in reaching customers. If postage rates increase, many companies will slash the role of mail in their communications mix while others will be forced to shut down. This has happened before. After postage rates increased by as much as 40 percent in 2007, the number of American catalog companies declined from 19,000 to the 9,000 businesses operating today. Those are lost jobs, lost sales and for the USPS, lost customers.


At the Postal Regulatory Commission:


Webcast audio file of the PRC monthly public meeting November 16, 2011 http://www.prc.gov/prc-docs/home/whatsnew/Monthly_Meeting_11162011.mp3





From yesterday's meeting of the Postal Service Board of Governors:


- Current Governors **Thurgood Marshall, Jr** is elected USPS BOG Chairman and **Mickey Barnett** is elected Vice Chair.
- Slides from the [CFO's presentation on USPS finances](#) at the Board meeting.
- Slides from the [CFO's presentation to the board on the USPS Integrated financial plan](#).
- Slides from the [Chief Operating Officer's presentation on mail delivery service performance](#).


 **Federal Times:** The U.S. Postal Service will pay more than \$1 billion into the Federal Employees Retirement System next month and resume biweekly contributions into the pension program, which it had stopped paying earlier this year, USPS Chief Financial Officer Joseph Corbett said in a conference call with reporters Tuesday. In June, the struggling mail carrier suspended those contributions — worth about \$115 million every two weeks — on the grounds that it had a \$7 billion surplus in FERS. That step was opposed by the Office of Personnel Management. The two agencies agreed to seek a legal opinion from the Justice Department's Office of Legal Counsel. While acknowledging Tuesday that the Postal Service had recently received "input" from the Justice Department, Corbett declined to say what that advice was. The Postal Service expects to resume FERS payments and pay off what it owes early next month, Corbett said.


 **Post & Parcel:** Deutsche Post has been ordered to raise postal rates within its low-budget business mail subsidiary First Mail within Germany. The Supreme Administrative Court of the North Rhine-Westphalia region yesterday upheld June's order by the German regulator, the Federal Network Agency, that the universal service provider was illegally offering business mail delivery below cost within the First Mail unit. In the interests of competition, the Court said the predatory prices had to be changed immediately.


 **PostalReporter News Blog:** The Executive Board of the New York Metro Area Postal Union, APWU, AFL-CIO unanimously passed a resolution in support of Occupy Wall Street and to condemn the eviction of the 99% from Zuccotti Park (Liberty Square). The union, which is the largest local in the American Postal Workers Union, believes that it is imperative that everyone take a stand in support of Occupy Wall Street and the right of the 99% to exercise its constitutionally protected right to free speech and the right of the people peaceably to assemble, and to petition the Government for a redress of grievances. The New York Metro Area Postal Union sees that Occupy Wall Street has been a beacon in the struggle that all working people are facing in the unrelenting attacks from Wall Street and, therefore, Occupy Wall Street must be defended. *[EdNote: Oh, for cryin' out loud.]*


 **American Postal Workers Union:** A bill that would destroy the Postal Service as we know it was approved by a key congressional committee on Oct. 13, and could come up for a vote in the full House at any time. H.R. 2309 is the postal bill introduced by Rep. Darrell Issa (R-CA) and Rep. Dennis Ross (R-FL) that would require the USPS to make \$3 billion worth of cuts in post offices and mail processing facilities within two years. The legislation also would prohibit postal unions and management from negotiating restrictions on layoffs, and it would empower an appointed "solvency authority" to unilaterally cut wages and benefits. "This bill would severely damage the Postal Service and harm service. In addition, it would take a devastating toll on postal workers," Guffey said.


 [Courier, Express, and Postal Observer](#): If the Postal Service as expected is given funding to offer early retirement incentives for postal employees, the respective unions and management associations will want to ensure that ensure that the process is as fair and generous as possible. There are some obvious concerns that the leadership should consider.


 [Washington Post](#): Six days left for the supercommittee, and it's not looking good.


 [Indianapolis Star](#): Postal Service nears default, bankruptcy. Billions in losses, declines in first-class mail yield 'urgent' situation.


 [National Association of Letter Carriers](#): For the first time since the recession began in 2007, this year's Postal Service loss was largely driven by the continued impact of the worst recession in 80 years and the effect of Internet technology—above and beyond the crushing and unique burden of the congressional mandate to pre-fund future retiree health benefits. This mandate accounted for 100 percent of the losses over the previous four years. That does not change what has to be done. Congress must alleviate the pre-funding burden and the Postal Service and its stakeholders must work relentlessly to reinvent the Post Office for the 21st century. Today we are working with the Postal Service at the bargaining table on doing just that.


 [New York Times](#): The United States Postal Service is forecasting a record \$14.1 billion loss for the 2012 fiscal year as a drop in mail volumes accelerates.

 [The Atlantic Wire](#): The Postal Service may eventually become a nimble 21-century organization, but not without a lot of pain ... and a lot more losses.


 [Roll Call](#): Super committee Co-Chairman Rep. Jeb Hensarling (R-Texas) indicated tonight that Republicans on the panel cannot move any further on taxes, saying that "any penny" more in tax revenue would be "a step in the wrong direction."

 [From the Federal Register: Postal Service](#) . NOTICES Market Tests of Experimental Products: First-Class Tracer , 71087 [2011–29514] [[TEXT](#)] [[PDF](#)]


 [Press Release](#): Homeland Security and Governmental Affairs Committee Chairman Joe Lieberman (ID-Conn), Ranking Member Susan Collins (R-Maine), Subcommittee on Federal Financial Management Chairman Tom Carper (D-Del.), and Senator Scott Brown (R-Mass.) reacted Tuesday to an announcement from the Postal Service that it lost \$5.1 billion in Fiscal Year 2011. The loss would have been \$10 billion without emergency Congressional intervention.

 [National Newspaper Association](#): Sending mail is now a highly discretionary activity for many who use the mail. Rising postage prices are a signal that it is time to push their own customers to electronic transactions. Such price signals spell continuous trouble for the already threatened universal service system. Yet the Obama Administration--and reportedly some Republicans--have asked the Joint Committee on Deficit Reduction (the "Supercommittee") to enact steep postage increases as part of an accounting ploy to make the federal deficit look lower. More postage revenue for USPS would not lead to lower federal expenditures nor bring new revenues to federal agencies. But it would inevitably accelerate the decline of the Postal Service. National Newspaper Association opposes use of postage increases to offset federal deficits or to give USPS a temporary cash boost. The Postal Service, Congress and the Supercommittee should say NO to postage increases beyond inflation.

November 15, 2011

 [PEHub](#): One entrepreneur's shrinking, outdated market is another entrepreneur's goldmine. Traditional mail may be on the wane, but that hasn't stopped entrepreneur David Greenberg from pushing ahead with a new service to control the flow of bills, magazines and unwanted mail to people's homes. "It's almost like having a spam button for paper mail," said Greenberg, founder of Updater.com, which launched in July and has \$800,000 in angel funding.


"We think the postal system is largely abused by third-class and bulk mailing. It's unnecessary." [EdNote: Another idiot.]


 **Federal Times:** House and Senate negotiators have struck a deal on the 2012 budgets for five Cabinet-level departments, as well as NASA and a number of smaller agencies. The measure also would extend short-term funding for other agencies until Dec. 16 at close to last year's levels. An existing continuing resolution expires Friday, meaning the new measure must pass before then to avert a partial government shutdown. The bill also would defer a legally required \$5.5 billion "prepayment" by the U.S. Postal Service for retiree health care, this time until Dec. 16. That payment was originally due Sept. 30; USPS officials say they don't have the money to cover it.




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

[Global Business Systems International Dispatch \(CRR-AR-12-001\)](#). Our report determined that Global Business Systems (GBS) Dispatch controls over outbound international mail are adequate. However, controls within the Surface Air Management System do not always prevent outbound international mail from exceeding air carrier capacities. Additionally, GBS Dispatch does not detect destination country discrepancies between mailpieces scanned into POS One in the retail environment and the EDL barcode scanned during dispatch. In briefing management of the status of system internal controls, management stated they were aware of these issues and had scheduled corrective actions to be completed in October 2011. We evaluated those system changes and believe they will address the issues; therefore, we did not make any recommendations to management.

 **Coalition for a 21st Century Postal Service:** The U.S. mailing industry today expressed alarm about the rapidly deteriorating fiscal condition of the U.S. Postal Service after the USPS announced losses totaling \$5.1 billion in Fiscal Year 2011. The Coalition for a 21st Century Postal Service, a coalition of businesses and associations representing not only mailers of every kind, but suppliers from the paper, printing and technology industries, urged Congress to continue moving forward with efforts to reform the agency.


 **Washington Post:** The U.S. Postal Service says it lost \$5.1 billion last year — and it can thank Congress for not losing more. USPS said Tuesday it would have lost about \$10.6 billion in the fiscal year that ended in September if Congress hadn't agreed to postpone about \$5.5 billion in annual payments to prefund retiree health benefits. Lawmakers haven't said yet whether the Postal Service will need to make the payment after the current short-term spending measure expires Friday. Mail volume dropped to about 168 billion pieces delivered, a drop of 3 billion pieces from the previous year. Deliveries of first-class mail, the most popular delivery option, dropped 6 percent. Total operating revenue reached \$65.7 billion, about \$2 billion less than the previous year; operating expenses dropped by about \$5 billion to \$70.6 billion. Postal officials said Tuesday that they expect operating revenue to drop to about \$64 billion this year. See also [CNN Money](#), the [Pittsburgh Business Times](#), and the [Associated Press](#).


 The U.S. Department of Justice has ruled that it is not in favor of USPS stopping FERS payments. USPS must pay balance and begin biweekly payment starting early December 2011.


 **At the Postal Regulatory Commission:**


- [Docket No. R2012-3](#). The Postal Service hereby provides notice that the Governors have authorized the Postal Service to change one of its Standard Mail prices from what was filed earlier. In the Notice of Market-Dominant Price Adjustment (Notice) filed on October 18, 2011, the Postal Service included an increase in the price of Detached Address Labels for Standard Mail Saturation Flats, from 1.7 cents to 5.0 cents. Since that filing, the Postal Service has concluded that a smaller price increase would be more appropriate. The Postal Service therefore plans to reduce that price to 3.0 cents, with the same effective date of January 22, 2012. This price reduction reduces the overall percentage increase for Standard Mail from 2.124 percent to 2.041 percent.
- [USPS 10K filing](#).



- USPS Preliminary Financial Information (Unaudited), September, 2011
<http://www.prc.gov/docs/77/77774/SEP-11%20PRC%20-%20FINAL.pdf>
- National Trial Balance, September, 2011 (FY 2011); and Statement of Revenue and Expenses, September, 2011 (FY 2011)
[http://www.prc.gov/docs/77/77775/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted%20%20September%202011%20\(FY%202011\).xls](http://www.prc.gov/docs/77/77775/Statement%20of%20Revenue%20and%20Expenses%20-%20Redacted%20%20September%202011%20(FY%202011).xls)


 **White House:** The White House has announced the finalists for its SAVE Award. Two of these finalists involve eliminating paper; one involves replacing mailing a publication with a web based version.


 **Federal Times:** The U.S. Postal Service suffered a net loss of \$5.1 billion for fiscal 2011, a figure that would have been far higher if Congress had not delayed a retiree health care payment originally due on the final day of the fiscal year in September, according to financial results released Tuesday. Increases in standard mail and the Postal Service's package business were not enough to offset the "steady" decline in first-class mail use, Chief Financial Officer Joseph Corbett told the USPS Board of Governors. Total mail volume dropped to about 168 million pieces, down almost 2 percent from 2010. Revenue was also down about 2 percent to approximately \$66 billion. "You can't continue to lose that kind of money; we need to change," said Corbett, adding that the Postal Service remains in danger of running out of cash by next September.

 **Bloomberg Businessweek:** The U.S. Postal Service, which may have lost \$10 billion in the past fiscal year, is discussing restructuring options with potential advisers, according to people with knowledge of the matter. Officials at the Postal Service have met in recent weeks with Moelis & Co., Rothschild and Perella Weinberg Partners LP, said the people, who declined to be identified because the talks are private. As of last week, the service hadn't hired any of the firms and was still deciding whether it needs an outside adviser, the people said.


 **Courier, Express, and Postal Observer:** In an article on WalMart's challenges in competing with Amazon.com, Advertising Age reports that the Postal Service is currently working with WalMart to deliver on-line purchases in rural areas. The pilot program fills orders to rural Nevada from the stock of a Nevada Walmart with the Postal Service performing the delivery.


	<p><i>♪♪ "Oh I heard it -- Heard It -- Yes, I heard it through the grapevine. . . ." ♪♪</i></p> <p><i>Word has it that the Postal Service is moving rapidly to announcing an eMailbox service of its own. In addition to the recent IG report on the matter, the jungle drums have been beating away in the background suggesting that an announcement is imminent.</i></p>	
---	---	---


 **Wall Street Journal:** With time running out for Congress's special deficit-reduction committee, the two sides Monday were grappling for ways to inch closer on the crucial issue of taxes. The parties are looking for ways to include smaller tax increases than Democrats had previously sought but more than Republicans want. In addition, Democrats last week proposed keeping upper-income tax rates at 35%, the level set in the Bush-era tax cuts. Lawmakers are keenly aware of the Nov. 23 deadline to craft a package that would cut the deficit by at least \$1.2 trillion. If the supercommittee can't reach agreement, automatic cuts of \$1.2 trillion would kick in starting January 2013. A backlash by voters and markets is likely, and that outcome would be widely seen as a failure of this Congress.


 **Time Techland:** From "The Man Who Invented E-Mail" -- If you think about what the Postal Service fundamentally does, those guys are trained to get mail and sort mail—there's trust verification. The Postal Service could offer at least level-one or level-two support, where a company could say, "Sort my email for me and put it into the right buckets." Because that's what most people deal with—the sales leads, the junk, and those kinds of things. Some of it can be automated, but there's other areas where you can do that sort of semi-automatic piece. And what's happened in the U.S. now is that companies put in an infrastructure like EchoMail, which does that sorting, and then they have humans that do the second-level review. And most of those humans are overseas. So companies


essentially set up internal email post offices to do that function, and I think that's a function the Postal Service could offer because you have that trust. And on the outbound side, the Postal Service now wants to implement this thing called eMailbox, which would take your physical address and associate it with an email address to get all your bills and everything. I like the concept, particularly if you look at email from a legal standpoint.

 [Post & Parcel](#): Japan Post Group has achieved a 40% year-on-year increase in its net profit in the six months up to September, thanks to extensive cuts in labour costs.


 [Post & Parcel](#): More of the latest news from the postal world, including news of a postal anniversary, improvement at Croatian Post, a national campaign for La Poste and online progress for Polish Post./p>

 [Juneau Empire](#): U.S. Sen. Mark Begich told reporters Monday the Alaska delegation was having some success at fending off changes to U.S. Postal Service operations that might harm Alaska, but there was still work to do. Almost 90 percent of the Alaska post offices once proposed for closure have been spared


 [Copenhagen Post](#): As part of the new postal law going into effect on New Year's Day **all homes will be required to have a letterbox on the public street nearest the home's property line**. The change only affects homes built before 1973. Homes built after that date were already required to comply with a similar regulation. Failure to have a letterbox on the street by January 1, 2012 could result in fines, suspension of mail delivery, police visits and, finally, a day in court.


 [Roll Call](#): House Minority Leader Nancy Pelosi said today that bipartisan talks to shrink the nation's deficit must be largely wrapped up by week's end, giving lawmakers just a few days to bridge significant gaps on entitlement reform and taxes.


 [From the Federal Register: Postal Regulatory Commission RULES Performance Measurement, 70653-70656 \[2011-29391\] \[TEXT\] \[PDF\]](#)

 [Dead Tree Edition](#): It's still not clear whether the U.S. Postal Service's \$1.4 billion investment in the Flats Sequencing System will pay off, according to the chairman of the Postal Regulatory Commission says. Mailers had hoped FSS would reduce the Postal Service's costs of handling catalogs, magazines and other flat mail. But, more than ever, USPS claims it is losing money on the two main sources of mail sorted by FSS -- Periodicals and Standard flats.

November 14, 2011

 [Prescott Report](#): The title of the piece that caught my eye last week is "Rural Post Office closures will hurt Natives, elderly and the poor." by Winona LaDuke in The Circle – Native American News and Arts. This is a Minneapolis-based newspaper serving the Native American population. Is the USPS still tasked with "binding the nation together"? Certainly from Ms. LaDuke's experience and reporting, in the Native American community there is a very pressing need for it to do just that. Unfortunately, the costs of discontinuing critical postal delivery services will be severe, and only partially "measurable". And if it can't be measured, Congress doesn't want to hear about it.

 [Multichannel Merchant](#): Despite the U.S. Postal Service's decision to pursue an exigent rate increase, Postmaster General Patrick Donahoe said during a Nov. 10 webinar that the 2012 rate increase will be according to the Consumer Price Index (CPI). "Our interest is CPI rates because they provide for a stable Postal Service," he said during the webinar. "That is critical. The key for this industry is affordability and predictability. And that (an exigent increase) will hurt everybody. CPI gets us to where we need to be."

 [Marketwire](#): Harte-Hanks, Inc. has announced the release of prEtrak(TM) (v 2.0), a newly-available software tool to help users of U.S. direct mail track their own communications from induction to the mail stream to in-home delivery through the U.S. Postal Service (USPS) Confirm Program. A Webinar regarding the need for mail tracking

in today's postal environment, where prEtrak also will be introduced, is slated for Thursday, November 17, at 2 p.m. EST/11 a.m. PST. Registration is open at: www.harte-hanks.com/MailTracking.

Nikkei: Major cutbacks to employee bonuses helped Japan Post Holdings Co. achieve a 40% year-on-year jump in net profit in the April-September half. The government-owned postal group reported a 230.7 billion yen first-half group net profit Monday, made possible by 59 billion yen in personnel cost cuts. Sales fell 5% to 8.36 trillion yen, with revenue down at every subsidiary except Japan Post Bank. In a reflection of the impact of the March 11 earthquake and tsunami, Japan Post Service Co. handled 6% fewer mail items than in the year-earlier half. Group pretax profit rose 10% to 531.8 billion yen. Japan Post Service's 62.7 billion yen pretax loss was offset by profits of 317.2 billion yen at Japan Post Bank and 229.9 billion yen at Japan Post Insurance Co.



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

Offering eMailboxes to Consumers: An Opportunity for the Postal Service?


This Risk Analysis Research Center's white paper is another in a series on the Postal Service's role in the digital age. The paper proposes the development of an e-mail service called an "eMailbox" as a critical component of a Postal Service digital platform, hosting applications ranging from expanded hybrid mail services to digital currency products. An accompanying highly secure data storage area service called the eLockbox would provide added security for the archiving of important legal and personal documents. To learn more and read the paper in its entirety, [click here](#). We invite you to share your thoughts on this topic on our [blog](#).


New Audit Projects: [Link](#) here to visit our audit project pages. This week we opened the following new projects: (Please share any information you may have that would help with these audits currently in progress by clicking on the links below): New audit projects have been started on the external website.


- [Use of Data within the Controller's Office – 12BG003FF000](#). The Controller's Office is responsible for monitoring the financial health of the Postal Service through the timely, accurate preparation of all historical financial information. They are making every effort to improve transparency, organize to address changing USPS demands, and respond to the changes in our economic environment. Our audit survey objective is to determine if management is effectively using information systems to properly manage Postal Service financial operations.
- [FY 2012 Financial Statements Audit – Eagan IT/ASC – 12BM002FT000](#). This audit is in support of the Independent Public Accountant's audit opinion on the financial statements. The Eagan Information Technology/Accounting Service Center (ITASC) is one of three Postal Service Accounting Service Centers and is a large, centralized accounting and disbursement center responsible for payroll, employee accounts receivable, banking, meter, and disbursing activities. The Office of Inspector General annually, issues financial statement audit reports for the Eagan ITASC, headquarters and the other two Accounting Service Centers in San Mateo, CA and St. Louis, MO.
- [Review of Flat-Size Mail Costs – 12RG013CRR000](#). Review of flat-size mail costs.


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

eMailbox and eLockbox: Opportunities for the Postal Service (RARC-WP-12-003). This Risk Analysis Research Center's white paper is another in a series on the Postal Service's role in the digital age. The paper proposes the development of an e-mail service called an "eMailbox" as a critical component of a Postal Service digital platform, hosting applications ranging from expanded hybrid mail services to digital currency products. An accompanying highly secure data storage area service called the eLockbox would provide added security for the archiving of important legal and personal documents. To learn more and read the paper in its entirety, [click here](#). We invite you to share your thoughts on this topic on our [blog](#).


 [Reuters](#): Former Dutch postal monopoly PostNL said it will close part of its budget mail delivery unit on Dec. 17, due to the current mail market and economic circumstances.


 [PRWeb](#): EquaShip, America's new fourth parcel carrier catering to small- and medium-sized business shippers, today announced a three-way partnership to add discounted USPS Priority Mail, Express Mail and international products to its breadth of offerings. EquaShip's unprecedented partnership with Online Shipping Insurance Services, Inc. (InsureShip), which is backed by The Underwriters at Lloyds, now bundles Priority Mail with \$100 of real, honest, regulated insurance for parcels, called EquaSurance™.

 [Roll Call](#): Rep. Jeb Hensarling (R-Texas) said today that he hasn't "given up hope" that the super committee in charge of restructuring the nation's debt will meet its Nov. 23 deadline. But the co-chairman of the Joint Committee on Deficit Reduction suggested on CNN's "State of the Union" that changes to the tax code may end up being punted back to Congressional committees to sort out the details as part of a "two-step process." The 12-member committee has just 10 days to hammer out the details of a plan in order to avert automatic spending cuts of \$1.2 trillion.


 [Fairbanks Daily News-Miner](#): Sen. Lisa Murkowski asked the right question: Can the federal government simply force the state of Alaska to pay for the U.S. Postal Service's bypass mail system? The answer from the Congressional Research Service reflects what many suspected: The make-Alaska-pay provision is almost certainly unconstitutional. Yet the U.S. House Committee on Oversight and Government Reform approved the provision at its Oct. 13 meeting. "The State of Alaska, on an annual basis, shall make a payment to the Postal Service to reimburse the Postal Service for its costs in providing Alaska bypass mail service ... ," according to the committee's proposed legislation, H.R. 2309. Really? The U.S. Congress can simply order Alaska's state government to pay the bill? Read more: Fairbanks Daily News-Miner - Abuse of power Bypass mail bill could violate U S Constitution

November 13, 2011


 [All India Radio](#): The government has started the exercise to formulate the new National Postal Policy 2012. The objective is to rejuvenate and bring the postal sector to the centre stage of economic development. Minister of Communications and Information Technology Kapil Sibal said in New Delhi that the National Postal Policy (NPP) will have clear goals, defined role of various operators in the sector and regulatory mechanism in place.

 [Ames Tribune](#): Imagine a system in which you can hand an envelope to someone in rural Iowa who arranges to send it to New York, where in a couple of days, someone else drops the envelope off at your cousin's house. And it costs you less than 50 cents. Oh, wait. We don't have to imagine that. We have that. It's called the U.S. Postal Service, and despite its recent budget woes, it remains one of the most amazing organizations, and one of the best deals, around. Hundreds of millions of pieces of mail zip around the country and around the world, every day. Almost nothing gets lost, and even at the lowest postal rate, it still only takes a few days for a letter to go from coast to coast. The U.S. mail and the Postal Service itself are too important a part of American life not to handle them with care.

November 12, 2011

 [Government Executive](#): The U.S. Postal Service's proposal to withdraw from the Federal Employees Health Benefits Program likely will cost the cash-strapped agency more money, according to a health insurance expert. "Pulling out of the FEHB is neither necessary nor sufficient to solve their problems," said Walton Francis, an independent author and consultant. "It can only make it worse." If the Postal Service leaves FEHBP, its health care expenses would rise by about 10 percent, Francis said, largely because of the agency's aging workforce, which currently benefits from being in the larger and more age-diverse FEHBP pool.

November 11, 2011

 [Westfair Online](#): Pitney Bowes Inc. was buffeted by uncertainty in the third quarter as the U.S. Postal Service blamed lower mail volumes for the widespread closure of post offices, and as the financial sector hesitated with the


ongoing worldwide debt crisis. The company has been working successfully the past several years to increase revenue from a widening array of digital communication offerings, including Volly, an online service allowing companies to let customers view and pay bills online, among other tasks. Pitney Bowes is planning to begin actively marketing the service to consumers early next year.


 [Multichannel Merchant](#): With pending legislation in Congress aimed at rescuing the USPS, Multichannel Merchant Senior Writer Jim Tierney caught up with Postal Regulatory Commission Chairman Ruth Y. Goldway to get her views on some key postal issues on the table.


Inquiring minds want to know: Why does DHL get special notice on the PostCom web site with a logo of its own, but nothing like that is done for UPS or Fedex? Okay . . . you asked . . . So here goes. DHL has shown its support for the work that's being done in behalf of the American business mailing industry by maintaining two separate memberships within PostCom -- one for Deutsche Post DHL and one for DHL Global Mail. DHL Global Mail, as you know, is in the business of making the use of the Postal Service for the distribution of key business fulfillment items as cost efficient as possible. Neither Fedex nor UPS have chosen to support PostCom's work in anywhere near a similar fashion, despite the fact that both make buckets of money off mail-using and package-sending American businesses. There . . . Now you know. Please don't ask again.





Did you miss the PostCom webinar with Postmaster General Pat Donahoe? Well, you can still see it and the slides he used during his presentation. Both the [slides](#) and [a link to the audio](#) are posted here.


 [High Plains Journal](#): Colorado U.S. Sens. Michael Bennet and Mark Udall, along with Sens. Tim Johnson, D-SD, and Kent Conrad, D-ND, are urging Senate committee leaders to consider western states and rural communities when exploring potential reforms to the U.S. Postal Service.


 [Scoop.co.nz](#): New Zealand Post Group, the state-owned postal service, sold \$150 million of bonds under its medium-term note programme to repay maturing debt and for general purposes. The bonds pay annual interest of 5.225% and are rated AA- by Standard & Poor's, matching the company's debt rating.


 [Workday Minnesota](#): Postal unions have launched a new TV ad that salutes our nation's "real life heroes" and points out that a bill pending in the House of Representatives would force the Postal Service to fire tens of thousands of military veterans. The ad, which is sponsored by the American Postal Workers Union and the National Postal Mail Handlers Union, urges viewers to tell their representatives in Congress to vote no on H. R. 2309 when it comes to the House floor for a vote. The bill, sponsored by Republicans Darrell Issa of California and Dennis Ross of Florida, was approved by the House Committee on Oversight and Government Reform on Oct. 13. It would force the Postal Service to lay off workers, including veterans who served our nation.


 [Media Newswire](#): - Deutsche Post DHL, the world's leading postal and logistics group, boosted revenues and significantly improved its profitability in the third quarter of 2011. Compared with the previous year, Group revenues increased by 2.5 percent to EUR 13.1 billion between July and September. Adjusted for exchange-rate and consolidation effects, the upward trend was even more pronounced: revenues increased by 5.7 percent and continued the high growth level achieved in the first half of the year. All of the Group's divisions contributed to the company's strong performance: The MAIL division profited from its parcel business, which continued to benefit from the rapid growth of Internet retailing.

 [Daily Mail](#): Rural households will now have to wait until 4pm to receive their post under Royal Mail's new plans that will set a precedent for the rest of the country. The plans will be extended throughout Britain but the first area affected is Sussex in the bid to cut costs. The latest delivery time will eventually be 3pm in urban areas and an hour later in rural.


 [Post & Parcel](#): US e-commerce shipping alternative EquaShip has formed important new partnerships with two major online retail platforms, Vendio and ShipWorks.


 **The Telegraph:** Under plans being rolled out across the UK, people living in the countryside are having to wait until as late as 4pm for their mail.


 **GIS User:** NAC Geographic Products Inc. announced the release of NAC Sorter - a software module for mail sorting systems to sort all mail automatically from world level to final household mail boxes, thanks to the power of the Universal Address (also called the Global Postal Code). Though it has been a long time effort of the Universal Postal Union (UPU) to standardize mailing addresses for international mail, it has little success as traditional addresses evolved from history have deep roots in languages and cultures and are difficult to be translated into standard addresses in the UPU suggested formats, not to mention that 60% of the world population do not have addresses yet. These lead to limited automation in mail sorting and no postal and courier services to many households. This situation now can be changed with the introduction of the Universal Address that can be used to globalize all addresses. The Universal Address is a highly efficient and human-friendly code mathematically equivalent to longitude/latitude coordinates and available at every location in the world, including locations of all houses, buildings and even temporary camps, and can be instantly obtained with a GPS device such as a smartphone or an online high resolution satellite image map such as NAC Locator.

 **Government Executive:** A provision seeking savings from the workers' compensation benefits of older beneficiaries is drawing the ire of unions and critics who oppose any reduction in income for federal employees injured on the job.

November 10, 2011

 **At the Postal Regulatory Commission:** **Docket No. RM2011-3** Priorities for Future Data Collection And Analytical Work Relating to Periodic Reporting. [Order Scheduling Technical Conference](#)

 **DMM Advisory: IMb™ Services Update.** Business Customer Gateway production environment will be unavailable on Sunday, November 13, 2011, from 5 a.m. to 6 a.m. CST for scheduled maintenance. During this time, all USPS® services accessed through the Business Customer Gateway—including PostalOne!®, FAST®, Mailer ID, Program Registration and eDoc submission via Mail.XML® and Mail.dat®—will be unavailable. **Electronic Mail Improvement Reporting (eMIR)** will be unavailable to internal and external users during an extended maintenance window on Sunday, November 20, 2011, from 4 a.m. to 9 a.m. CST.

 **Awoko:** The leading mail and logistics courier around the World, DHL, plans to improve on its products and services in Sierra Leone in a bid to ensure customer satisfaction. The Managing Director of DHL for sub-Saharan Africa, Charles Brewer, is currently visiting Sierra Leone to meet with DHL staff, customers and government officials about investment opportunities.

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

- The Postal Service intends to pursue its exigency request that was originally filed in July 2010. The Postal Service will file at a later date the amount it plans to pursue, as well as where the exigency price increases will be and the timing of implementation. In the past, the Postal Service determined that lost contribution resulting from the exigent circumstances as being at least \$2.3 billion for purposes of this case. The Postal Service said, "if legislation passes that promotes the Postal Service's financial stability, the Postal Service will review its position and may choose to withdraw the case if warranted."
- Here is an extemporaneous summary (non-verbatim) of comments offered at the markup.
- Bipartisan legislation to rescue the United States Postal Service (USPS) from certain financial failure next year cleared the Senate Homeland Security and Governmental Affairs Committee Thursday by a vote of 9-1.
- According to Senator Collins, "Unfortunately, the Postal Service -- so vital to our economy -- is on the verge of collapse. It is in imminent financial danger and literally won't survive without legislative and administrative reforms. Absent action, it won't be able to meet its payroll less than a year from now."

- The U.S. Postal Service today announced a two-week amnesty period to encourage the rapid return of postal-owned equipment, especially pallets and mail tubs. This announcement comes on the heels of recent equipment recoveries made by the U.S. Postal Inspection Service.
- Rep Crawford introduces postal legislation. NALC President condemns Senate postal bill. USPS market test of FCM tracer. The ValPak brief. Unions object to parts of postal rescue plan. USPS property for sale. It's a balanced, smart approach to postal reform. Murkowski "cautiously optimistic" in bypass mail batter. Senate postal reform: a lot of money, little change. PMG promises moratorium on po closings?
- Updates from the Federal Register that affect the mailing industry.
- An update from the Domestic Mail Manual Advisory.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.

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



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

[Dead Tree Edition](#): Millions of dollars worth of pallets and trays are being stolen from the U.S. Postal Service every year, but the agency can't afford to implement systems for tracking the equipment. Mail-transport equipment (MTE) is in such short supply in parts of the country that some businesses report that they have not been able to send out scheduled mailings. USPS has responded by approving emergency purchases of such equipment, announcing a two-week amnesty program for the return of equipment, and by stepping up enforcement regarding stolen and misused items. The USPS Office of Inspector General is trying to spread the word that MTEs "may be used only to transport mail, and borrowers of MTE (such as private mailers) are responsible for its proper use and return."


[Save The Post Office](#): A moratorium on post office closings came a step closer today, the Postmaster General has apparently promised to hold off on closing post offices until the first of the year


[Politicalnews.me](#): After months of hard work and the passage of a key bill in the Senate Homeland Security & Government Affairs Committee, U.S. Sen. Mark Begich is pleased to see that Alaska is one step closer to preserving the vital bypass mail program, keeping its post offices open and finding a better United States Postal Service (USPS) process to protect against future closures. As a member of the committee, Begich has been a champion for Alaska priorities throughout the postal reform process


[Great Falls Tribune](#): The United States Postal Service will not be able to close rural post offices before establishing a more thorough process for selecting closure candidates and re-evaluating the locations being studied for closure, a Senate panel decided Wednesday. The provision on rural post office closings was added during debate by the Senate Homeland Security and Governmental Affairs Committee on the 21st Century Postal Services Act of 2011 — the first major legislative overhaul of the postal service in years. Republican Sen. Jerry Moran of Kansas introduced the amendment preventing the closure of rural post offices without adequate evaluation. Sen. Jon Tester, D-Mont., was among the co-sponsors. "The postmaster general cannot balance his books on the back of rural America. Montanans have made it clear to me that they depend on their community post offices for reliable mail service, and I won't let the postal service ignore their voices," Tester said in a news release following the amendment's passage.


[Insurancenews.net](#): Approval of legislation containing significant harmful changes to the workers compensation program for the federal workforce was sharply criticized today by President Colleen M. Kelley of the National Treasury Employees Union (NTEU). "The Federal Employees Compensation Act (FECA) is a lifeline to federal employees hurt in the course of their service to the nation, and it is unconscionable to consider cutting its benefits,"

said President Kelley. She said NTEU will continue its fight against the language approved in a markup by the Senate Homeland Security and Governmental Affairs Committee. The provision in question would effectively and unfairly penalize workers who have lost their ability to earn a salary and retirement credits by cutting their benefit later in life. Additionally, the FECA family benefit, which provides a modestly-larger benefit for a recipient with dependents, would be eliminated.


 [Wall Street Journal](#): The rap from Democrats has been that Republicans refuse to touch revenues, preferring only to cut spending. But Mr. Toomey explained that this week the GOP Six offered to raise revenues by \$500 billion over 10 years as part of a tax reform that would lock in lower tax rates in return for giving up deductions. Democrats have rejected it, which is puzzling since it would achieve so many of their stated goals. Mr. Toomey says Democrats nonetheless rejected this offer on Tuesday night, a fact that leaves him "enormously frustrated." He says Democrats are insisting on at least \$1 trillion in new revenues while refusing to allow any reduction in tax rates or to stop the tax increase that will hit in 2013. The freshman Republican now fears the talks will end with a whimper of small revenue and spending measures that will do little to help the economy or the federal fisc. Democrats must believe they can blame Republicans if the super committee fails, riding their campaign against "millionaires and billionaires" back to complete power in Washington. It's a reckless bet, but the American public may have to call it.

 [Printed Electronics World](#): Although the USA remains the largest user and supplier of RFID in the world, RFID and industrialisation in general is succeeding in countries with tough government, consistency of purpose, little borrowing and large home markets. In this respect, we know of China but must now think of Russia gearing up to make and use RFID passport chips with 1.25 million transistors in them, huge RFID postal automation systems and a great deal in between. The big topic in Russia is what will replace the oil and gas income when it expires.


 [Federal News Radio](#): The Obama administration's proposal to carve out the prescription drug benefit out of the Federal Employee Health Benefits program into a separate item could spell the beginning of the end for the 50-year-old program. Should the deficit reduction super committee approve the change, experts say, it would be the first of many steps to dismantle the FEHB program.


 [National Association of Letter Carriers](#): NALC is bitterly disappointed with the legislation reported out by the Senate Homeland Security and Governmental Affairs Committee today. The bill, S. 1789 (the 21st Century Postal Reform Act of 2011), would cause irreparable harm to our nation's Postal Service. It perpetuates the misguided policy that places pre-funding future retiree health benefits above the viability of a network that serves 150 million American households and businesses six days each week—a classic case of "killing the Post-Office in order to save it." The nation's letter carriers will fight this disastrous bill and vigorously advocate alternative ways to cut costs and promote growth in the Postal Service.


November 9, 2011


 News on the markup of S. 1789:


- [Press Release: Sens. Lieberman, Carper, Collins, Brown](#)
- [Federal Times](#)
- [CNBC](#)
- [Federal News Radio](#)
- [AZ Central](#)
- [KTVQ](#)
- [Government Executive](#)
- [Topeka Capital Journal](#)
- [Post & Parcel](#)
- [CNN Money](#)
- [The Hill](#)
- [KGO](#)


 **Courier, Express, and Postal Observer:** Yesterday, Senator Tom Coburn announced he will introduce an amendment that would allow states to pass laws to allow mail recipients to pay to not receive saturation advertising. The amendment would allow states to set "do not mail" lists that consumers could pay to get on. If a consumer pays the fee, mail that has non-standard addresses, which includes most, if not all, saturation advertising could not be delivered.


 Senate Committee on Homeland Security and Governmental Affairs markup of S. 1789. [A summary of comments during the committee's session](#) has been posted on this site. *The Committee approved the substitute to S. 1789 as amended and will be referred to the Senate floor.*

 **Courier, Express, and Postal Observer:** In its Presentation to Analysts, one of the slides detailed the new labor agreement that Deutsche Post states will help keep its mail business profitable.

 **Post & Parcel:** Scandinavian postal operator PostNord has said its results for the third quarter of the year underline the need for "profound" changes in the organisation to respond to declining mail volumes. The Swedish company formed from the merger of Posten AB and Post Danmark has seen its net sales decreasing 4% year-on-year in the three months up to September 2011, excluding currency and restructuring costs, to SEK 9,195m.

 **Washington Post:** Have you ever swiped pens, tape guns, letter trays or mail tubs from a post office? Well, the U.S. Postal Service desperately wants them back. Starting Saturday, the cash-strapped delivery service said it is giving customers two weeks to return any stolen equipment, no questions asked. USPS spent nearly \$50 million last year replacing equipment that was stolen or inadvertently taken and never returned by customers. See also [PRNewswire](#)

 **Daily Mail:** A Tea Party-backed Republican - who gained office vowing to bring fiscal responsibility to Washington - 'went crazy' and shouted down a constituent who questioned the power big banks have over government. Walsh also suggested that the federal government stop funding the U.S. Postal Service. He shouted: 'If the Postal Service can't compete in the marketplace, I am tired of propping it up.'

 The Board of Governors of the U.S. Postal Service will meet Nov. 15 in open session at Postal Service headquarters, 475 L'Enfant Plaza, SW. The public is welcome to observe the meeting beginning at 1:30 p.m. in the Ben Franklin Room on the 11th floor. The Board is expected to discuss the following items:

1. Approval of minutes of previous meetings
2. Remarks of the Chairman of the Board
3. Remarks of the Postmaster General and CEO
4. Committee reports
5. Consideration of Fiscal Year 2011 10-K, Financial Statements, Annual Report, Comprehensive Statement and Annual Performance Plan
6. Consideration of Fiscal Year 2012 Integrated Financial Plan
7. Consideration of Final Fiscal Year 2013 Appropriation Request
8. Quarterly report on service performance
9. Tentative agenda for Dec. 13 meeting in Washington, DC
10. Election of Chairman and Vice Chairman of the Board of Governors

Open session meetings of the Board of Governors are available on live audio webcasts at <http://about.usps.com/news/electronic-press-kits/bog/welcome.htm>. Three hours after the conclusion of the open session meeting, a recorded audio file will be available for listening. In compliance with Section 508 of the Rehabilitation Act, the audio webcast will be open-captioned.

CFO Briefing. Following the Board's open meeting on Nov. 15, Chief Financial Officer Joe Corbett will host a telephone/web conference call to discuss the financial results in more detail. The call will begin at 4 p.m. ET and is open to the news media and all other interested parties. To attend by phone with audio only, dial 866-567-8049

(Meeting ID: 7411388). To attend the web conference and join with audio: (1) Browse to <http://meetingplace3.usps.gov/join.asp?7411388> (2) After the MeetingPlace window is open, click the Phone icon (under the Participant List or in the upper right-hand corner). (3) Click Connect Me, validate or update your phone number and click Connect Me again. (4) When the system calls you press 1 to join. The briefing will also be available on live audio webcast (listen only) at: <http://about.usps.com/news/electronic-press-kits/cfo/welcome.htm>



The Association for Postal Commerce has sent to the Senate Committee on Homeland Security and Governmental Affairs a strongly worded objection to a proposal advanced by Senator Thomas Coburn that would empower states to implement a "do not mail" option to enable mail recipients to opt out of receiving "non-addressed" (alternative addressing) mail. PostCom said:


The proposal is not only wrong-headed, it also would be, if adopted, horrendously destructive to the fiscal viability of the nation's postal system as well as to the thousands of local, small businesses nationwide who rely on mail as a distributed advertising vehicle. Here is a summary of just some of our concerns.


- The mail that is the focus of Sen. Coburn's amendment, area-wide saturation carrier route mail, is the Postal Service's most profitable Standard Mail product. Sen. Coburn's amendment would kill off a substantial portion of the revenue the Postal Service needs to ensure the continued fiscal viability of a nationwide, universal mail delivery system.
- This amendment disregards the fact that the revenue that is used to support the Postal Service is provided by senders of the mail and not by recipients. A sender is paying the Postal Service to provide a service. Once postage is paid, it should be provided.
- Compliance with this amendment would prove extremely costly to both the Postal Service and thousands of small retail businesses nationwide. It would add substantially to the Postal Service's costs for handling this mail, which would only exacerbate the fiscal challenges the USPS faces today.
- The mail that is the focus of this amendment is something that is called "advertising mail" -- advertising in the mail. This advertising is no different nor any less valuable than advertising that is distributed by newspapers, magazines, or the internet or is broadcast by radio or television. Advertising, no matter the media through which it is distributed, is intended to do one very simple thing, i.e., it's intended to stimulate interest in and the purchase of goods or services the sale of which add to the nation's economic well-being.
- Finally, there is absolutely nothing that is compelling in the public interest for government to interfere with the free exercise of permissible commercial speech. Quite frankly, such a proposal could very well be unconstitutional in its effect -- if not on free speech grounds then most certainly on its adverse effect on interstate commerce.


We consider this amendment deplorable. It would destroy the fiscal viability of the nation's postal system and the economic vitality of many of our nation's small, retail businesses. We urge its rejection.

Swazi Observer: The Swaziland Posts and Telecommunications Corporation (SPTC) will automate its postal services from next year. Contrary to what many may believe, this might result to an increase in the number of employees. The automation of the services seeks to link all post offices online with the head office. This is expected to enable the Corporation to realise its efficiencies so as to offer more services at the post office.


C-Span: This morning, the Senate Governmental Affairs Committee considers a bill to overhaul the U.S. Postal Service. Sen. Joseph Lieberman (I-CT) chairs the markup of S 1789, the 21st Century Postal Service Act of 2011. The discussion of this bipartisan legislation is expected to focus on the proposed 5-day work week and the possible closing of post offices and processing centers. The committee will also consider an overhaul of workers' compensation provisions for Federal employees. The House Government Reform and Oversight Committee reported HR 2309, a postal overhaul bill, on Oct. 13.


 [Bloomberg Businessweek](#): Deutsche Post AG, Europe's largest postal service, gained the most in 18 months in Frankfurt trading as growth in Asian express shipments and German parcel volume prompted the company to raise its full-year forecast. See also [RTT News](#).


 [Armenia Now](#): The Government of Armenia and managers of Haypost Company are negotiating changes to Armenia's postal system, which according to both sides will give an opportunity for new investments and will improve service.


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


 Despite a satisfactory business development PostNL's performance in the third quarter was significantly burdened by depreciations.

 The French postal market's downward trend continued in 2010. In its recently published annual report the regulating authority Arcep disclosed that addressed mail volume fell by 3.6% to 14.8 items.

 Swiss Post recorded a slight decrease in earnings and revenues in the first nine months of 2011.


 Poczta Polska plans to double turnover from parcel and logistics operations and to expand its financial services in the next 4 years. Given the decline in mail volume, the company's aims to stabilise its revenues and to increase its profitability considerably with these steps.


 French La Poste has abolished binding transit time guarantees for its domestic parcel service Colissimo. So far the the general terms and conditions of the French post office included a guarantee to deliver domestic parcels within two day after the posting. If La Poste failed to meet the guaranteed delivery, the postage was refunded. The new version only provides an 'approximate value' of two days. If La Poste exceeds this transit time a staggered refund is offered depending on the delay.


 Belgian prime minister Yves Leterme rejected rumours that the government planned to completely privatise bpost.





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 American](#): Whatever legislation is enacted must put the Postal Service on a fiscally and structurally sustainable path and provide it with the flexibility to operate more like a business.


 [The Guardian](#): The Treasury is closing a controversial Channel Islands tax loophole that was putting independent retailers out of business and costing £140m a year in lost tax receipts on music, films, flowers and cosmetics. Mail order retailers including Play.com and The Hut Group made fortunes from a tax concession that allowed them to post goods worth less than £18 from Jersey and Guernsey free of VAT, undercutting UK competitors and forcing independent traders off the high street and internet.


 [Wall Street Journal](#): United Parcel Service Inc. forecast what it called a "solid" holiday shipping season Monday, saying volume during the hectic week before Christmas will be up 6.2% from last year. It also said it will boost seasonal hiring 10% to 55,000 temporary employees. The Atlanta-based company didn't provide an overall forecast for the traditionally busy period between Thanksgiving and Christmas, saying the peak shipping season has been shortened because consumers are increasingly shopping online and delaying purchases until late in the year.


 [E-Commerce Times](#): "A disturbing new GAO report makes it clear that the federal government has only a loose idea of the money it devotes to information technology. GAO also found that agencies categorize their IT investments in different ways, making it difficult to weed out duplication," said Sen. Joseph Lieberman, I-Conn.


 [Sun Sentinel](#): It's just a severe black stamp on the upper right corner of our envelopes, often ignored, often smudged. But for nearly 100 years a Fort Lauderdale postmark has graced each article of mail posted in Broward County. Now that designation may disappear, to be replaced by one bearing the name of that heavy-handed neighbor to the south, Miami.


 [Los Angeles Times](#): Now the website that has processed more than 20 million catalog suppression requests in the last four years is unveiling a new service to stop even more junk mail before it's even sent. Tuesday, the Berkeley-based nonprofit, CatalogChoice.org, unveiled a new MailStop Envelope to prevent not only catalogs but credit card offers, grocery store circulars, phone books and other unwanted solicitations. Using a MailStop Envelope purchased from the website for \$6.75, individuals can place as many as 15 labels from unwanted mail into the envelope and send it to Catalog Choice, whose staff will scan the labels and fill out companies' opt-out requests on behalf of its Envelope users.

 [The Nation](#): Post offices may serve as mobile payment centres, if talks between the Central Bank of Nigeria (CBN) and Nigerian Postal Services (NIPOST) sail through. Under the plan, CBN and NIPOST will share facilities to promote the mobile payment initiatives.

 [Multichannel Merchant](#): The U.S. Postal Service's decision to pursue an exigent rate increase after the Postal Regulatory Commission denied a motion by the USPS to "stay" its request for exigent price relief until Dec. 15, 2011 has sparked opposition to the USPS's stance.

 [Reuters](#): The U.S. Postal Service is on the brink of bankruptcy, and its top official's worst fear is that a limping economy will derail the agency's recovery. Prolonged economic pain would deliver a fresh blow to the Postal Service's chances of becoming profitable again. A sharp downturn in the U.S. economy could cause mail volumes to plummet 30 percent to officials' worst-case scenario of 118 billion pieces of mail by 2020, compared to about 168 billion pieces this year.


 [Politico](#): Congressional Democrats and Republicans are trillions of dollars apart on a deficit reduction deal as the supercommittee nears its Nov. 23 deadline. The most recent Republican offer, according to Democratic and Republican sources, includes roughly \$770 billion in spending cuts and between \$550 billion and \$600 billion in new revenue from a variety of sources, including selling public lands, **increasing the price tag on postage stamps and new energy leases.**

 [MTAC Members](#): Feeling the MTE pinch – What more is being done? Even before the November 4 publishing of the Mailer Authorized Alternative Container options and an MTE escalation process for Managers, Business Mail Entry to administer there were numerous efforts underway to mitigate Mailer Transport Equipment (MTE) shortages, such as:

- Accelerated the purchase of MTE above and beyond planned levels
- Shifting excess MTE to deficit areas based on daily inventory reviews
- Monitoring postal processing plants on-hand inventories to ensure only daily operational and/or customer needs are retained
- Conducting clean sweep roundups from post offices, stations, and branches to ensure all excess equipment is dispatched to postal processing facilities daily
- Implemented weekend overtime shifts at Mail Transport Equipment Service Centers (MTESC), as required
- Conducting reviews of MTESC to ensure inventory is managed, flowed and distributed according to plan
- USPS Inspection Service pursuing stolen and misused equipment


Understanding the impacts and managing inventories is a collective effort. Help us help you – ensure only immediate inventory requests are submitted and utilize MTE as intended within the postal mailstream.


November 8, 2011


 [A list of the proposed amendments](#) that will be offered during tomorrow's postal markup session has been posted on this site.




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

 **Lexology:** From 1 January 2012, the Slovak postal market will be liberalised. Currently the only universal postal service provider is Slovenská pošta, a.s. (Slovak Post), which will lose its monopoly over the collection and distribution of: correspondence and direct mail up to 50g official summonses (ie documents requiring personal service on parties to litigation and administrative proceedings) This monopoly right was given to Slovak Post to compensate for its having a statutory obligation to operate mail collections and deliveries in distant (uneconomic) parts of the country where other postal service providers did not want to operate. The third EU postal directive requires this monopoly to be removed so that a universal service can be provided by other postal service providers in addition to Slovak Post. It will be replaced by a compensation fund to which all other postal service providers will be required to contribute. Other changes being introduced by the new legislation include a requirement for all postal service providers to be registered with the Postal Regulatory Office (it will no longer be a free trade). Even those already registered must re-register in order to continue carrying on their businesses.

 **Online Media Daily:** There is only one way to solve Yahoo's problems, and that's by dismantling the company. It is the reverse of the value creation often promised and seldom realized in mergers. It is the inevitable end to a company that has failed to proactively respond to major trends like interactive social mobility. It's even more tragic because Yahoo has maintained one of the largest vibrant global user bases (more than 600 million unique visitors spending considerable time online) and leading online content verticals in finance, news and sports throughout its long-suffering value destruction --almost in spite of itself. Although that makes Yahoo the "largest digital content company" and the quintessential ad-driven media company of the Internet age, according to Needham analyst Laura Martin, the company still suffers from an inability to monetize its combined reach and prevalent content. *[EdNote: Sounds just like the Postal Service.]*

 **Sen. Thomas Coburn:** Sen. Coburn has introduced an amendment to the Senate bill that will be marked up tomorrow. The purpose for the amendment is to empower states to implement (with Postal Service compliance) a "do not mail" option to enable mail recipients to opt out of receiving "non-addressed" (alternative addressing) mail.

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

- **Listing of USPS-Approved Adult Fowl Mailing Containers.** We revised [601.9.3.4](#) to add a reference for a new listing of USPS-approved container vendors for the mailing of adult fowl and other approved birds.
- **Centralization of Move Update and ZIP Code Accuracy Standards** We revised [233.3.0](#), [243.3.0](#), [333.3.0](#), [343.3.0](#), [363.4.0](#), [433.3.0](#), [443.3.0](#), and [463.4.0](#) to consolidate and centralize Move Update and ZIP Code accuracy standards into new sections [602.5.0](#) and [602.6.0](#).
- **Post Office (PO) Box Fee Groups for Merged Locations** We revised [508.4.0](#) to allow Post Office Box (PO Box) fee groups to be merged into a single location due to Post Office mergers and to have the ability to change a fee group more than one higher or lower level at a time in limited circumstances.

- **Suspension of Periodicals Privileges** We revised [707.8.3.4](#) to amend the authority for noncompliance from the postmaster to the Pricing and Classification Service Center (PCSC) when a publisher does not file PS Form 3526, Statement of Ownership, Management, and Circulation, or publish the information provided on the form.
- **USPS Return Services** We revised [126.1.0](#), [136.1.0](#), [156.1.0](#) and [705.24.0](#) to introduce new options designed for the return of merchandise; and to add a new subchapter 505 to consolidate all other USPS return service standards.
- **Reassignment of ZIP Codes Between NDCs and ASFs: Revision to Destination Entry Exhibits** We revised [246](#), [346](#), [366](#), [446](#), [453](#), and [466](#) to change the exhibits for destination network distribution center (DNDC) eligibility to reflect the reassignment of certain 3-digit ZIP Code ranges.
- **Mailing Firearms—Clarification** We revised [601.12.1](#) through [601.12.3](#) to clarify the standards surrounding the mailability of firearms.

Our next scheduled DMM update is January 22.



For those that were not able to attend the first Pricing webinar on November 7, **a second webinar presented by Maura Robinson, vice president, Pricing is scheduled for November 16 from 2:30-3:30 p.m.** The webinar will cover *the January 2012 mailing services price change*. There will be a 200-line capacity and will be on a first come, first served basis. **TO ATTEND WITH AUDIO ONLY:** From a phone, dial: 866 567-8049 Meeting ID: 3673750 Important: The link below can only be used to attend your meeting(s), not to make changes or access meeting recordings. (1) Browse to: <http://meetingplace3.usps.gov/join.asp?3673750> (2) After the MeetingPlace window is open, click the Phone icon (under the Participant List or in the upper right-hand corner). (3) Click Connect Me, validate or update your phone number and click Connect Me again. (4) When the system calls you press 1 to join.


Marketforce: Marketforce and the IEA's 15th Annual Conference. **European Postal Services.** 20th - 22nd March 2012, Sheraton Roma Hotel, Rome marketforce.eu.com/eupost


Post & Parcel: Major customer groups in the United States warned the Commission that even the non-exigent increase in postal rates at the moment would "undercut the efficiency and longterm sustainability of the postal system." A joint statement from the Direct Marketing Association, Mailing and Fulfillment Service Association, Major Mailers Association, National Association of Presort Mailers, National Postal Policy Council and Parcel Shippers Association suggested today that USPS was still pricing its postal services based on an infrastructure it has accepted has excess capacity at the moment. The industry groups warned against reducing USPS workshare discounts merely to bring some of the work currently done by private sector presorting partners back in-house, in order to make use of excess USPS capacity. "Inefficient prices designed to make work for the Postal Service will result in too large a network, higher costs to mailers, and accelerated volume declines. They will exacerbate the financial crisis facing the Postal Service mailing industry," said the groups' filing.


Valley Morning Star: Routing the Rio Grande Valley's mail through Corpus Christi, an option being considered by the U.S. Postal Service, "makes absolutely, incredibly, no common sense," Hidalgo County Judge Ramon Garcia said Monday. Speaking at McAllen City Hall, Garcia and Mayor Richard Cortez blasted the idea, which they said would have a wide-ranging impact on the Valley.

Tokyo Reporter: Japan Post Service and eBay are planning a joint business venture to make it easier for Japanese sellers and buyers to utilize the world's largest online market site, Japan's Nikkei news service said. The new service will offer support in Japanese, the news agency reported. Currently, Japanese sellers must fill out forms in English to utilize the site, it said. The Nikkei also says Japan Post plans to cut its international postal rates by 20-30% for products sold on eBay. Japanese postal rates are amongst the world's most expensive.


Fox21Online: Wisconsin Congressman Sean Duffy held town hall meetings across northern Wisconsin on Monday. Duffy said postal branches in northern Wisconsin need to be kept off the chopping block.


 [The Korea Herald](#): Korea Post, the state-run postal service agency, said Tuesday it plans to abolish or sharply reduce fees for financial transactions at post offices nationwide.


 [The Gulf Today](#): Pakistan's postal services department is certain to face a revenue loss of Rs2, 300 million (\$26.744 million) during the fiscal year 2011-12 in the wake of reduction in commission rate from 1.5 per cent to 0.5 per cent against saving bank accounts. From this fact, it is now evident that the public sector organisations are now losing track one after another. The anticipated loss of \$26.744 million may lead the postal services department to face financial crisis.

 [Politicalnews.me](#): Udall, Bennet Urge Senate Leadership to Consider Rural Communities in Postal Service Reforms Senators Mark Udall and Michael Bennet, along with Senators Tim Johnson (D-SD) and Kent Conrad (D-ND), are urging Senate committee leaders to consider Western states and rural communities when exploring potential reforms to the U.S. Postal Service.

 [From the Federal Register](#): **Postal Regulatory Commission Meetings**; Sunshine Act, 69297 [2011–29001] [[TEXT](#)][[PDF](#)]

 [Times of India](#): Flooded with requests to release postage stamps of important personalities, institutions and events, the Department of Posts has decided that those who propose to bring out such a stamp would have to buy at least one lakh stamps hereafter. The idea is to bring down the number of such requests as well as raise the revenue for the department, said postal officials.

 [Madison Daily Leader](#): A group of U.S. Senators announced a bipartisan plan last week to help keep the financially ailing Postal Service solvent and continue six-day mail delivery for at least two more years. The question is "Can Congress pass a reasonable reform bill?" The question isn't mocking Congress' ability to pass sensible legislation, but recognizing that Congress helped put the Post Office in this position, and may not be willing to help get it out.

 [Heritage Foundation](#): With nine days to go before the U.S. Postal Service (USPS) faces default, a Senate committee on Wednesday is expected to vote on a new plan to address the crisis. The plan takes a few steps in the right direction, but it falls short of the comprehensive reform that is needed.

November 7, 2011

The U.S. Postal Service has said it intends to take up the Postal Regulatory Commission's invitation to continue its Exigency Rate Case.

Statement on Proceeding with Exigent Pricing Relief

As a result of the Postal Regulatory Commission's (PRC) Oct. 31 order denying a motion by the Postal Service to "stay" its request for exigent price relief until Dec. 15, 2011, the Postal Service today informed the Commission that it will continue to proceed with the case. If legislation passes that promotes the Postal Service's financial stability, the Postal Service will review its position any may choose to withdraw the case if warranted.


The Postal Act of 2006 capped price increases for Mailing Services products and services at the rate of inflation as measured by the Consumer Price Index (CPI). However, the law does allow for increases beyond the CPI cap due to exceptional or extraordinary circumstances. That was the case in July 2010 when the Postal Service filed for an increase above CPI, citing the exceptional circumstances of significant mail volume losses. The Postal Service financial crisis has worsened since then.


While legislation continues to be introduced to address critical Postal Service issues, the uncertainty over Congressional action

leaves the Postal Service little choice but to proceed with the case for now.

The Postal Service announced new Mailing Services prices last month and will announce new Shipping Services prices later this month. The new pricing will be effective Jan. 22, 2012.

[The Postal Service will be seeking an additional \\$2.3 billion in revenue.](#)

 [The Exception Magazine](#): Sen. Susan Collins -- Nearly 38,000 Mainers work in jobs related to the mailing industry. Nationwide, the U.S. Postal Service is the linchpin of a \$1.1 trillion mailing and mail-related industry that employs approximately 8.7 million Americans in fields as diverse as direct mail, printing, catalog companies, and paper manufacturing. Unfortunately, the Postal Service -- so vital to our economy -- is on the verge of collapse. It is in imminent financial danger and literally won't survive without legislative and administrative reforms. Absent action, it won't be able to meet its payroll less than a year from now.

 [Multichannel Merchant](#): Since the Postal Service's financial troubles and incredible shrinking volume have been well chronicled in the past few years, various legislators and industry pundits have offered opinions on what the USPS needs to survive.





The U.S. Postal Service Office of Inspector General invites you to comment on this week's "Pushing the Envelope" blog topic: ***Where Have All the Pallets Gone?*** U.S Postal Service Mail Transport Equipment (MTE) management and availability ensure the safe, secure, and timely movement of mail between the


Postal Service and its customers and contractors. Over the past few years the Postal Service has experienced significant loss of MTEs, mainly plastic and wooden pallets. Is there a cost-efficient way to track MTE and reduce leakage? [Share your thoughts on our blog, and if you know of any pallets or other MTE being misused, contact the OIG hotline](#) at 1-888-USPS-OIG or [online](#).

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


- [Business Mail Acceptance Controls – 12RG009EN000](#). Business Mail Acceptance (BMA) is one of the most significant revenue sources for the United States Postal Service. BMA is responsible for implementing policies surrounding the acceptance of business mailings at over 2,750 locations, of which 1,900 are in postal facilities and 850 are at mailer plants. BMA oversees the processing of over 13.7 million business mailings annually, which represents approximately 73 percent of total United States Postal Service mail volume. Our objective is to gather background information on the data, systems and processes used to manage business mail acceptance operations.
- [Information Security Network Connectivity Process – 12RR002IT000](#). The Postal Service is committed to creating and maintaining a cost-effective information security environment to safeguard the integrity, confidentiality, and availability of Postal Service information and to protect the interests of the Postal Service, its personnel, its business partners, and the public. This includes protecting the network infrastructure by implementing physical, administrative, and technical security controls and processes. The Network Connectivity Review Board (NCRB) oversees the implementation of policies and procedures relating to the connection of systems or networks to the Postal Service network infrastructure. The NCRB evaluates requests and changes for connectivity to the Postal Service network for development, system integration testing, customer acceptance testing, production, and internal networks in cases where connectivity requests do not comply with pre-established connectivity standards. Our objective is to identify the process controls and assess the risk associated with the Information Security Network Connectivity Process.


 [Courier, Express, and Postal Observer](#): Over the next three days, Reuters is holding a series of interviews with key government officials, legislators, and interest group representatives in order to develop exclusive reports for Reuters' paying clients with a focus on economic policy issues.


 [Logistics Management](#): Global logistics and express delivery provider DHL heralded the completion of the \$22 million expansion of the company's hub in the Cincinnati/Northern Kentucky Airport (CVG) earlier this month. This hub expansion was built on 19 acres and involved widening the existing parking apron to allow for nine additional wide-body aircrafts and nine new aircraft gates, according to a report in the Cincinnati Enquirer. Vice President of DHL Americas Hubs, Network Control and Gateways Travis Cobb said in the report that this expansion would improve hub operations and capacity, as well as help DHL expand its reach into Asia, Europe, and the Americas. DHL moved its U.S. hub operations to CVG in July 2009. DHL's U.S. business focuses on international import and export offerings in major metropolitan areas. It ceased U.S. domestic-only air and ground services at the end of January 2009, due largely to the ongoing uphill battle it faced competing with industry giants UPS and FedEx for market share.


 [RIA Novosti](#): A post office employee and her lover were arrested in southern Russia on Monday for stealing and spending 7.5 million rubles that was to be delivered to retirees, on a life of luxury in Moscow and Russian resorts, the Volgograd police said.


 [People's Daily](#): The China Post Space Post Office's opening ceremony was held on Nov. 3 in Beijing Space City. Yang Liwei, a space flight hero and the associate director of the China Manned Space Engineering Office, was invited to be the first chief of the Space Post Office. The general manager of the China Post Group Li Guohua said that the China Post Space Post Office will adopt a virtual-actual operational mode, the virtual post office is set in the manned spacecraft and the actual post office is set in the Beijing Space City Post Office. The postal code of the Space Post Office is 9010001. Currently, the Space Post Office has two business types: international and domestic mail delivery and stamp collection.

 [ERR News](#): Bad news for those planning to send a package overseas: the national postal service Eesti Post has canceled its international non-priority parcel delivery service. Instead, customers must now use airmail, which ensures faster delivery to the destination country, yet depending on the weight of the package may increase the cost of the service several times.

 [Reuters](#): Former Dutch postal monopoly PostNL said it would pay dividends in shares from 2012 and would struggle to pay out in cash for a few years because of shortfalls at its pension funds and the falling value of its stake in delivery firm TNT Express. The group, which also reported higher-than-expected profits and lifted its 2011 outlook on Monday, is under intense pressure to safeguard its profit and cut costs in the face of fierce price competition from rivals and a steady fall in mail volumes as more people use electronic communications such as email. See also [Dutch News](#).


 [Save the Post Office](#): James Cox Kennedy is the chairman of Cox Enterprises, a media conglomerate founded by his grandfather. Mr. Kennedy is part of the 1% the Occupy movement is protesting against. Actually, according to the Forbes 400 list, Mr. Kennedy's \$6 billion stake in the family's company makes him the 53rd richest person in the United States, and that puts him in the top 0.00002%. Mr. Kennedy doesn't own the country's post offices, but his company has hired a law firm to advocate closing them. Cox Enterprises is a highly diversified company based in Sandy Springs, Georgia. It owns 15 television stations, 86 radio stations, several newspapers, and a broadband communications and entertainment company. It also owns Cox Target Media, North America's direct mail leader and provider of the Valpak® savings envelope.

 [TargetedNews](#): Rep. Eric Crawford, R-Ark., has introduced legislation (H.R. 3370) to "provide that the U.S. Postal Service may not close any post office that does not have another post office within eight miles as measured by public roads with regular year-round access." The bill was introduced on Nov. 4. The legislation was referred to the House Oversight and Government Reform Committee.


 [Manchester Evening News](#): Royal Mail is to invest an extra £15m in its operation to handle the huge Christmas postbag this year. The postal group is setting up nine sites across the country – including one in Manchester – to sort packets in the coming weeks as it gears up to deliver an estimated two billion items over the festive season. The move follows the continued growth of online shopping, as well as preparing for any repeat of the severe weather conditions that hit services last year.

November 6, 2011


 The [latest PostalOne update](#) has been posted on this site.


 [Nashua Telegraph](#): Washington is mucking around in the lives of its citizens. This time, the U.S. Postal Service is getting the attention.


November 5, 2011


 [Post & Parcel](#): Rounding up some of the latest news on alternative products being launched in post offices:


- La Poste expands mobile phone services in France
- Russian Post brings the stock market to the post office
- Estonian Post to sell non-prescription drugs in post offices
- Romanian Post launches money transfer service


 [Post & Parcel](#): No state-of-the-art parcel service appears complete these days without allowing customers to track their packages via mobile phone. This week has seen a number of public and private sector package delivery specialists unveiling their latest innovations in this area. Among the mobile facilities being developed are mobile versions of websites that are optimised for smartphones, separate applications (apps) for downloading onto smartphones, and services that offer mobile alerts that packages have arrived locally.


 [CNN Money](#): Union groups don't like big parts of a new bipartisan proposal in the Senate to save the U.S. Postal Service that would cut services and workers. Union groups oppose moves that would cut benefits and downsize the Postal Service to save it, especially the proposal to allow a cut to Saturday service after two years and a study is completed. A coalition of 13 unions, including a few who don't represent postal workers, also say they oppose a part of the plan that would scale back workers' compensation benefits for retirement-age workers who get injured on the job.


 [USPS News Link](#): USPS has listed 90 commercial properties and 36 land parcels with a commercial real estate broker. Sale of these properties by broker Caldwell Banker will generate much-needed capital for the Postal Service. Now that the properties have been listed for sale, the Postal Service can reduce or eliminate these costs, as well as produce cash for the organization. Last year, USPS realized (insert amount) in sales of its real estate holdings. [Click here](#) for a listing of the properties for sale.


 [Daily Journal](#): The 21st Century Postal Service Act provides the president and Congress the most sensible plan to rescue the United States Postal Service from likely bankruptcy. By allowing the mammoth government agency to explore its entrepreneurial potential, the bipartisan plan establishes a reliable opportunity for future fiscal security. The bipartisan plan, put forth Wednesday by four U.S. senators requires the kind of fiscal checks and balances private industry relies on to maintain its profitability and suitable work force levels. As Americans rely more on the Internet and competing private mail carriers for personal communications, the plan calls for employee buyouts that would reduce the work force by 100,000 employees.

 [Fort Wayne Journal Gazette](#): The Postal Service offers a discounted, flat-rate price of \$12.95 for packages to be sent to military personnel anywhere in the world. The price includes a \$2-per-box discount on Priority Mail flat rate boxes for military mail being sent to APO/FPO (Air/Army Post Office, Fleet Post Office) destinations worldwide.


 [Ottawa Citizen](#): As Labour Minister Lisa Raitt prepares to appoint a new arbitrator to settle the dispute between Canada Post and its staff, the Canadian Union of Postal Workers (CUPW) hopes the move opens the door to a negotiated settlement.


 [Politicalnews.me](#): Senator Lisa Murkowski applauded the fact that the bipartisan postal reform bill introduced this week by members of the Senate committee with jurisdiction over the U.S. Postal Service – which does not make changes to the U.S. Postal Service's bypass mail service in Alaska. "We have a ways to go in terms of ensuring that this critical and unique Alaskan service continues to benefit urban and rural Alaska," said Murkowski. "But I am cautiously optimistic that my Senate colleagues have responded to my concerns and momentum is building to protect bypass mail."

 [Seeking Alpha](#): If there were two companies that would be happy about the U.S. Postal Service's plans to lay off tens of thousands of workers, it should be private light transport companies, namely UPS (UPS) and FedEx (FDX). Since the reports of the planned layoffs surfaced, UPS and FDX have been neither convincingly down or up on the news. On one hand, the economy is set to slow in the transport sector, which is a negative, and on the other, the private companies will likely be able to dominate the industry better than before.


 [Save the Post Office](#): Yesterday, the National Association of Postmasters of the U.S. (NAPUS) called for a moratorium on post office closings. Calls for a moratorium on post office closing have been growing. In August, Iowa's Governor Terry Branstad called for one, and earlier this week Representative Nick Rahall of West Virginia wrote the Postmaster General urging him to declare a moratorium.

November 4, 2011

 The **Senate Homeland Security and Governmental Affairs Committee** will hold a business meeting on **Wednesday, November 9 at 10:00 a.m.** The Committee will consider the bipartisan 21st Century Postal Service Act, introduced by Sens. Tom Carper (D-Del.), Joe Lieberman (ID-Conn.), Susan Collins (R-Maine), and Scott Brown (R-Mass.), among other bills and nominations. **Who:** Homeland Security and Governmental Affairs Committee **What:** Business Meeting **Where:** 342 Dirksen Senate Office Building **When:** Wednesday, November 9, 2011, 10:00 a.m.

 **Attention PostalOne!® Users: PostalOne!® Release 28.0:** The deployment of PostalOne!® Release 28.0 on Sunday November 6, 2011 will require an extended maintenance window from 10:00 p.m. CDT on Saturday, November 5 until 8 a.m. CST Sunday, November 6, 2011. PostalOne!® application and Web Services will be unavailable during this time. PostalOne!® Release 28.0 will require a new mail.dat client be downloaded and installed. The Release notes for Release 28.0 can be accessed at the following hyperlink: [PostalOne Release Notes](#). PostalOne!® Release 28.0 will deploy to the Test Environment for Mailers (TEM) on Monday, November 7, 2011. During the deployment, the PostalOne!® TEM will be unavailable from 5 a.m. to 3 p.m. CST.

Business Customer Gateway Outage: The Business Customer Gateway production environment will be unavailable on Sunday, Nov 13, 2011, from 5:00 a.m. CST to 6:00 a.m. CST for scheduled maintenance. During this window, all USPS services accessed through the Business Customer Gateway — including PostalOne!®, FAST®, Mailer ID, Program Registration and eDoc submission via Mail.dat and Mail.XML will be unavailable.

 **DMM Advisory:** Please review the DMM Advisory on "[What to Do When Required MTE is Not Available](#)" which has been posted on this site.



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

- Senators Lieberman, Collins, Carper, and Brown have introduced a bipartisan legislation, The 21 Century Postal Service Act of 2011, to help reform the U.S. Postal Service. According to Senator Lieberman, this bill will pull the USPS from the brink of bankruptcy and secure financial help into the future. Senator


Collins, during a press release, said that the bill was developed by bipartisan agreement that puts the Postal Service back on sound financial footing. She goes further to say that "it gives the Postal Service the authority it needs to restructure, modernize, and thrive."


- Sen. Tom Carper (D-Del.), Chairman of the Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security, which oversees the U.S. Postal Service, joined Sens. Joe Lieberman (ID-Conn.), Susan Collins (R-Maine), and Scott Brown (R-Maine) to introduce the bipartisan 21st Century Postal Service Act of 2011.
- The Postal Regulatory Commission has denied the Postal Service's request to stay the exigency case proceeding until December 15, 2011. It gave the Postal Service until November 7, 2011 to issue its wishes as to whether or not it plans to pursue the exigency case.
- In a letter to the mailing industry, the Postmaster General said, "the United States Postal Service has been in the news quite a bit lately, and as a major customer of ours you deserve to hear directly about the issues we are facing. To paraphrase a line from Mark Twain, 'I'd like to assure you that the reports of our imminent demise are greatly exaggerated.'"
- New and updated network optimization information for mailers is now available on the Postal Service's "Information for Mailers" web page.
- According to postal commenter, Gene Del Polito, "the ultimate test any postal reform measure must pass is equally simple to discern. A successful postal reform measure, if enacted, would ensure (1) the fiscal viability of the U.S. Postal Service, (2) the Postal Service could operate on a self-sufficient basis, and (3) the ability of the Postal Service to satisfy the nation's need for universal postal service."
- USPS statement on bipartisan bill. NALC reacts to Senate bill. Senators pave way for tense USPS talks. Union launches petition drive to save America's Postal Service. Support online businesses by providing relief to the USPS. FedEx Freight offers expanded electronic shipping solutions. Congressmen meet with Postmaster General. Study reveals direct mail leaves a longer lasting impression than digital media. Amended version of H.R. 2309. PRC outlines strategic goals for 2012-2016. Is core mission of USPS still vital in digital era?
- Updates from the Federal Register that affect the mailing industry.
- An update from the Domestic Mail Manual Advisory.
- An update from the USPS Office of Inspector General.
- A review of postal news from around the world.
- Postal previews.


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





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


 [Deccan Herald](#): Packages originating from abroad, especially the West, and bound for Bangalore are most likely to be stolen at the sub-foreign post office on Museum Road by the India Post personnel. Breaking into foreign parcels, usually containing consumer goods like apparel, toys and other non-durable items, and outright stealing by workers of India Post, which is faced with crores of rupees in annual losses and creeping institutional obsolescence, has assumed notoriety.


 [Kansas City Business Journal](#): Open your mailbox, and chances are you'll find something bearing the fingerprints of three of Kansas City's largest companies. Hallmark Cards Inc. is the world's largest maker of greeting cards. Tension Corp., formerly Tension Envelope Corp., produced 12 billion envelopes last year. And DST Output, a subsidiary of DST Systems Inc., perennially is one of the nation's top two First Class mailers, printing and sending out more than 2 billion credit card offers, utility bills, mutual fund statements and other consumer communications annually. For these three firms, the ongoing debate about the future of the U.S. Postal Service is serious.


 [Bloomberg Businessweek](#): The U.S. Postal Service, attempting to slow the migration of first-class mail to electronic communications, says it will stick with an advertising campaign begun in September that tells businesses refrigerators and cork boards can't be hacked.

 [New York Times](#): The Senate Republican leader said Thursday that he saw no possibility of extending the deadline for a powerful joint committee of Congress to recommend ways of reducing the federal budget deficit. If legislation to save at least \$1.2 trillion is not enacted, the president in January 2013 is supposed to make up the difference by imposing across-the-board cuts in most military and civilian programs.

 [Politico](#): Prospects for a bipartisan deficit deal grew markedly worse on Thursday as Republican and Democratic negotiators huddled in their respective corners amid an impasse over taxes. Republicans won't give on increasing tax-based revenue and are insisting on savings from health-based entitlement programs. And Democrats say there can't be a deal on entitlement cuts without more revenues. The 12-member panel has stopped meeting for the time being, several sources said.

 [Washington Times](#): Despite the U.S. Postal Service's string of multibillion-dollar deficits and plans to shed more than 100,000 jobs, people are still lining up for a chance to work at the nation's mail service. More than 100,000 postal jobs would be cut through buyouts under a key provision in a legislative package introduced in the Senate on Wednesday. The plan calls for reducing the workforce by using some of the roughly \$8 billion the Postal Service has overpaid into a retirement system to pay postal employees up to \$25,000 each as buyouts if they agree to retire. Mr. Donahoe said the Postal Service has about 557,000 career employees, down from a high of 804,000 workers in 2000.

 [Canadian Business](#): The retired judge who was to act as an arbitrator to settle a dispute between Canada Post and its biggest union has resigned, the Canadian Union of Postal Workers said Thursday. Coulter Osborne had been appointed by Labour Minister Lisa Raitt. CUPW said the resignation creates an opportunity for both sides to return to the bargaining table and negotiate a deal. Union president Denis Lemelin said the union has asked for a meeting with the minister.

 [Publishing Executive](#): According to at least some publishing industry groups and analysts, the postal reform bill introduced Wednesday in the U.S. Senate would be good for both the Postal Service and periodicals mailers. The bipartisan bill, sponsored by senators Joe Lieberman, Susan Collins, Tom Carper and Scott Brown, was called "excellent" in a statement from MPA-The Association of Magazine Media. Postal industry consultant and Publishing Executive blogger Eddie Mayhew told Inbox. "I think it's great."

DMM Advisory: IMb™ Services Update


- **PostalOne!® Release 28.0 and FAST® Release 18.0:** The deployment of PostalOne! ® Release 28.0 on Sunday, November 6, 2011, will require an extended maintenance window from 10 p.m. CDT on Saturday, November 5 through 8 a.m. CST Sunday, November 6, 2011. The PostalOne! application and Facility Access and Shipment Tracking (FAST®) Web Services will be unavailable during this time. The FAST on-line application will be unavailable from 3 a.m. through 8 a.m. CST on Sunday, November 6, 2011. PostalOne! Release 28.0 will require a new Mail.dat® client to be downloaded and installed.
- **PostalOne! Release 28.0 and FAST Release 18.0** will deploy to the Test Environment for Mailers (TEM) on Monday, November 7, 2011. During the deployment, the PostalOne! TEM will be unavailable from 5 a.m. to 3 p.m. CST and the FAST TEM will be unavailable from 8 a.m. through 12 Noon CST.
- **Business Customer Gateway:** The Business Customer Gateway production environment will be unavailable on Sunday, November 13, 2011, from 5 a.m. CST to 6 a.m. CST for scheduled maintenance. During this time, all USPS services accessed through the Business Customer Gateway — including PostalOne!, FAST, Mailer ID, Program Registration and eDoc submission via Mail.XML® and Mail.dat — will be unavailable.
- **Electronic Mail Improvement Reporting (eMIR):** There will be an eMIR outage during an extended maintenance window on Sunday, November 20, 2011. The eMIR application will be unavailable for internal and external users from 4 a.m. to 9 a.m. CST during this outage.

November 3, 2011




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


- **[Contracting Opportunities and Impact of the Service Contract Act \(Report Number CA-AR-12-001\).](#)** Postal Service market research found opportunities for cost savings exist if the agency can become exempt from requirements of the McNamara-O'Hara Service Contract Act of 1965 (SCA). In addition, our analysis showed that Postal Service wages for cleaning/janitorial and postal vehicle service (PVS) driver positions were higher than SCA rates. We estimate the Postal Service could save approximately \$675 million annually if it outsourced these positions.
- **[J.T. Wecker \(Chicago\) International Service Center – International Airmail Records Unit \(Report Number FT-AR-12-002\).](#)** Our audit determined that system access identifications and passwords at the J.T. Wecker (Chicago) records unit were not always properly controlled. Also, the records unit supervisor did not always complete weekly verification note audits and records unit clerks did not always submit verification notes in accordance with Postal Service procedures.


 **[National Rural Letter Carriers Association:](#)** NRLCA President Jeanette P. Dwyer has issued the following statement responding to legislation introduced in the United States Senate, S. 1789, the "21st Century Postal Service Act of 2011." "The bipartisan postal legislation [that's been] introduced is a commendable attempt to help the ailing Postal Service. However, there are provisions in this bill the NRLCA cannot support. First, the legislation would allow the Postal Service to eliminate Saturday delivery after two years of enactment if specific criteria are meant. The NRLCA firmly believes any reduction in mail delivery will severely harm the Postal Service and deprive its customers of essential services. In addition, the Senate legislation would interfere with collective bargaining, unfairly tilting the process in favor of the Postal Service. We believe collective bargaining has benefitted the NRLCA and the Postal Service for well over 40 years and Congress should not interfere with this time-honored process.





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

 **[A Postal Comment:](#)** According to postal commentator Gene Del Polito, "there are hundreds of bills that are introduced by well-meaning legislators in every Congress. There are very few bills that ever find their way to enactment. And there will be a long, tough road ahead for any of the postal reform bills that have been introduced in this Congress before they ever find their way to the President's desk. The question that many people ask is "what makes a bill right." The answer, at least in this instance, is not all that difficult to divine.


 **[News-Sentinel:](#)** members of Congress are paralyzed by the shouting voices of those with parochial concerns. First, though, a fundamental question must be answered: Is the Postal Service's core mission – absolutely universal service – still vital in the digital environment of today that's killing agency business? If it is, drastic cuts can be made to preserve it. Saturday service can be cut, for example, or service can even be cut to three or four days a week. "Universal" doesn't mean daily. If that core mission isn't still important, well...cut the remaining ties to the government and let the agency stand or fall in the competitive marketplace.

 **[The Republic:](#)** Sen. Bernie Sanders is calling a public meeting on the future of the U.S. Postal Service. The independent lawmaker says he wants to hear Vermonters' thoughts about the Postal Service in an age of email and online bill paying. Sanders says he is working on legislation to maintain mail service to communities throughout Vermont and avert cuts that could cost thousands of workers their jobs.

 [National Association of Letter Carriers](#): While NALC fully supports comprehensive postal reform and is working on practical alternatives, the Senate bill could end Saturday delivery in two years and would phase out most door-to-door delivery by 2015. This would negatively affect tens of millions of Americans - particularly senior citizens, rural residents and small-business owners - who depend on the Postal Service's commitment to high-quality service. We acknowledge the need to reinvent the U.S. Postal Service for the 21st century, but we urge postal management and our country's leaders to do it in a way that preserves jobs and encourages growth at a time when the economy is struggling.


 [The Hill](#): A bipartisan group of senators released a legislative blueprint Wednesday that paves the way for tense negotiations with Rep. Darrell Issa (R-Calif.) over how to fix the cash-strapped U.S. Postal Service. Issa and House Republicans say that money is merely a projected surplus, and their bill would only give USPS access to retirement funds in cases of a more concrete surplus. In another key difference, Issa's bill would empower a new oversight board to recommend post office closures and other ways to cut costs. The Senate bill does not set up such a board. It also keeps the agency from scrapping Saturday delivery service for at least two years, and includes certain benchmarks USPS must meet before a five-day delivery system would be allowed. While some stakeholder groups were pleased by the senators' product, postal unions were far from impressed.


November 2, 2011


 [Courier, Express, and Postal Observer](#): Senator Susan Collins and Senator Tom Carper both stated today that the Postal Service plans to use \$1.7 billion to pay for early retirement incentives. Given that the Postal Service is limited to paying \$25,000 in cash incentives this suggests that the Postal Service expects that as many as 68,000 current employees will use these incentives and retire early.





A copy of the [21st Century Postal Service Act \(P21\)](#) has been posted on this site.


 [Post & Parcel](#): Spain's Correos has become the latest postal service to "reinvent" its parcel services, particularly with the rising popularity of e-commerce and cross-border shipments in mind. The company, under its new president Angel Agudo San Emeterio, is marketing the breadth of its parcel delivery options for all sectors of society under the banner "Paqueteria 360-grados" (Parcel 360-degrees). A new business strategy for parcels now focuses on three main areas – e-commerce, express deliveries and international packages.

 [Post & Parcel](#): German parcel industry trade association BdKEP has hit out at non-member company Hermes Logistics Group for pricing its new parcel service too low. BdKEP – the federation of postal, courier and express services, which tends to represent medium-sized city courier companies – said yesterday that Hermes Germany had "gone astray" in its offer of "cheap" parcel services. At a time when the outsourcing of jobs to subcontractors was on the rise, it claimed Hermes was now threatening wage levels across the whole industry in the flat-rate Packchen service launched yesterday.


 [Politico](#): Under the proposal by Sens. Lieberman (I-Conn.), Tom Carper (D-Del.), Susan Collins (R-Maine) and Scott Brown (R-Mass.), the postal service also would reduce the number of post offices and implement a number of other cost-saving options. The legislation would also prohibit the postal service from ending Saturday delivery for at least the next two years.


 [CNN](#): Postal unions had not yet reacted to the proposal, but they've been opposed to past recommendations that included employee layoffs.

 [NBC Montana](#): A small bipartisan group of lawmakers announced a proposal to save the U.S. Postal Service that would make it possible to cut Saturday service in two years, close post offices and buy out 100,000 workers. The bill would allow the cash-strapped U.S. Postal Service to tap a \$6.9 billion overpayment to the Federal Employment Retirement System, a move that several House Republicans have opposed, dubbing it a bailout.


 [PRNewswire](#): With the Nov. 2 announcement of a new bill designed to get the ailing US Postal Service on its feet, the American Catalog Mailers Association had deep praise for the work of a bipartisan panel of Senate leaders


in postal oversight. "While we have not yet had the opportunity to study the full legislative language, based on a summary we have received by the Senate Oversight Committee staff, today's bill appears to contain all the major elements necessary to allow the Postal Service to complete its restructuring and meet its obligations, while removing the surplus capacity that is neither needed or cost affordable," said Hamilton Davison, President of ACMA.


 **U.S. Postal Service:** We are currently reviewing the provisions included in the bill to determine how it addresses our financial crisis and the need for a more flexible business model. The Postal Service continues to take aggressive actions under our control to cut costs and increase revenue to return to profitability and urgently needs passage of comprehensive, long-term legislation to get us there.

 **Direct Marketing Association:** This bipartisan bill tackles the difficult issues of USPS retiree health benefit prefunding, five-day delivery, door delivery, labor arbitration, and USPS down-sizing. We are pleased that the bill maintains nonprofit rate preferences and requires a study of underwater classes and products to determine how their costs are affected by USPS excess capacity.

 **At the Postal Regulatory Commission:** The PRC has issued its latest [strategic planning document](#).

 **Coalition for a 21st Century Postal Service:** The Coalition supports many of the provisions in your bill, including: restructuring the problematic prefunding of retiree health benefits; returning FERS pension overpayments to be used for early retirement incentives as USPS restructures to fit the size of its current and foreseeable business; no rate increases and constructively addressing the rates of classes that are "underwater;" directing arbitrators to take into account the overall financial position of the Postal Service; and addressing workers compensation.

 **Alliance of Nonprofit Mailers:** The Alliance of Nonprofit Mailers is pleased that a bipartisan group of Senators today introduced legislation to address the financial crisis facing the Postal Service. The 21st Century Postal Service Act of 2011, introduced by Senators Joe Lieberman (I-CT), Susan Collins (R-ME), Tom Carper (D-DE), and Scott Brown (R-MA), will provide needed relief for the Postal Service and ensure the continuation of critically important mail delivery. We applaud the leadership of these four Senators and urge swift passage of this needed legislation.

 **National Newspaper Association:** Reed Anfinson, NNA President and publisher of the Swift County (MN) Monitor-News, Benson, MN, said:


"The National Newspaper Association supports the concepts in the joint bill, and believes it takes a critical step toward a stable Postal Service, which our newspapers and our nation need. It provides USPS with cost-savings opportunities and cash flow relief while preserving the services that keeps mail in the system. We recognize there are many miles to go before stability is achieved, and that adjustments by both mailers and the Postal Service are ahead. But by recognizing that a future cannot be built by trading off universal service to rural areas, or eliminating critical services for one sector in favor of another, the Senate sponsors have shined a light on a path that helps America maintain its treasured postal system. NNA represents 2,300 members, primarily weekly and small daily newspapers that rely heavily upon the mail to reach their readers. NNA has long supported meaningful reform of the Postal Service and has opposed service cuts as a path to stability. In particular, NNA has urged USPS not to eliminate Saturday mail delivery, a critical service for smaller communities and rural America.



Sen. Thomas Carper *Comments on the 21st Century Postal Service Act (P21) --*

"Over the past several months, Americans have realized the hard truth that the Postal Service is on the verge of financial collapse. Our troubled economy – coupled with the continued migration to electronic forms of communication – is putting the future of the Postal Service in jeopardy, and it's happening faster than anyone ever expected even just a few years ago. If we do nothing, we face a future without the valuable services the Postal Service provides. And if the Postal Service were to shut down, the impact on our economy would be dramatic.

"Although the situation is dire, it's not hopeless. With the right tools and quick action from Congress and the Administration, the Postal Service can reform, right-size and modernize. The bill I introduced with Senators Lieberman, Collins and Brown presents a comprehensive and bipartisan solution to the Postal Services' financial challenges that would keep it from collapse, protect the millions of jobs that rely on it, and enable this critical American institution to reform its business operations so it can continue to serve the American public for years to come. The time to act is now. It is my hope that Congress and the Administration can come together on this plan in order to save the Postal Service before it's too late."

 You can find a copy of the [section-by-section analysis of the 21st Century Postal Service Act \(P-21\)](#) and a [short summary of the bill](#) on the Senate Homeland Security and Governmental Affairs Committee web site.





The following is a comment from the Association for Postal Commerce (PostCom) on today's announcement of a new *bi-partisan* proposal for postal legislative reform:


The Association for Postal Commerce applauds Sens. Lieberman, Carper, Collins, and Brown for their bold, bi-partisan proposal to address the many challenges facing the U.S. Postal Service. It's a good start, but there is a long road to any bill's ultimate enactment. We believe the sufficiency of any proposal for postal legislative reform should be determined by a reasoned judgment as to whether the enactment of such a proposal would ensure the fiscal viability of the U.S. Postal Service, its self-sufficiency, and its ability to satisfy the universal postal needs of the nation.





A copy of the [amended version of H.R. 2309](#) has been posted on this site.


 **National Association of Major Mail Users:** The NAMMU working groups and SERP providers recommended to Canada Post that the transition period for excluded large urban business addresses be extended to January 2013. Canada Post has confirmed this extension and has added the proviso that no further extensions will be provided after January 2013.


 *New and updated network optimization information for mailers is now available on the Postal Service's "Information for Mailers" web page. A second set of FAQs specifically for mailers, and a new document containing more information related to each of the facility study sites announced September 15, 2011, were recently posted on the Postal Service's "Information for Mailers" web page at <http://about.usps.com/news/facility-studies/welcome.htm>. In addition, navigation to this page from the about.usps.com home page was simplified -- now, just click on the "Mailer information" link under the heading "Our Organization" (next to the photo of a postal facility) and you're there! This new and updated information is also available on the [Business Mail Acceptance \(BMA\) page of RIBBS](#).*


 **MarketingWeek:** The direct mail industry has agreed to improve targeting and make it easier for consumers to opt-out of receiving direct mail, two of a raft of measures agreed with the government to reduce waste that it is hoped will ward off the threat of statutory regulation. A new opt-out system will replace what the government calls the "outdated" setup that offers consumers three options - the Mail Preference Service, the DMA's door to door initiative and the Royal Mail equivalent - to stop addressed and unaddressed advertising mail. Consumers, however, will still have to register twice on the site to stop both addressed and unaddressed mail. Industry estimates put current volumes of addressed direct mail at nine billion and unaddressed at 1.7 billion.


 **PRWeb:** To educate mailers and the postal industry as a whole about electronic documentation (eDoc) and why the Postal Service is beginning to push it harder than ever, Window Book, Inc. has published an informative white paper titled, "eDoc & PostalOne!: They're What's Best for You and the USPS." This is Window Book's 4th published mailing industry white paper, and in this 21-page paper mailers will learn why it is critical to begin using eDoc in their operations in order to: prepare for the future with the USPS, stay competitive in the mailing industry, get the best postal rates, be eligible for special incentive programs, and best manage the data about their mailings.


 [Sourcewire](#): Following the recent news of a proposed shake-up at the Royal Mail, ParcelsPlease explain just what this means for customers.


 [CNBC](#): The financially troubled U.S. Postal Service has determined that its plan to replace money-losing offices with retailers contracted to offer basic services will not work in many rural communities.


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


 In the third quarter Posten Norge faced clearly decreasing profits on rising revenues.


 Pitney Bowes entered the German mail market. In co-operation with mail delivery network Mail Alliance, Pitney Bowes launched a pilot run of a central database, which will simplify mail exchange between private-run postal operators, at the end of October. The Postal Database developed by Pitney Bowes is to help the mainly regionally operating mail services to guarantee a nationwide delivery.


 According to the Finnish post's quarterly report net sales from July to September reached 449.4m euros, an increase of 5%. However, the operating result slid into the red like in the first half-year


 German WAZ-media Group abandons its mail business. According to news magazine »Spiegel« (31.10) the publisher will close the unit at the end of this year. 'At ruinous prices as low as 20 cent per letter we lost hope to make the business profitable'.


 In September, China's postal operators and express services experienced a slightly dampened growth for the first time in several months.

 Singapore Post (SingPost), usually accustomed to success, recorded a continued decline in profits in the second quarter this year.


 Hamburg based mail service Elbkurier is bankrupt.

 TNT Express reported a significant decline in profits for the second quarter after the split-up from the letter business PostNL.

 The Norwegian post further expanded its position on the domestic logistics market. At the end of last week it was disclosed that Posten Norge took over Bergen based transport company Bergen Container & Transport (BCT). BCT offers LTL and bulk cargo as well as container transport services.


 A new round of price competition loomed in the German parcel market.

 The Spanish post re-arranged its parcel product and service portfolio. Under the brand name Paquetería 360°, six different custom tailored shipping options for different customer groups are on offer.


 The Estonian Post and the unions represented in the company - Estonian Communication ServiceWorkers Trade Union (ESTAL) and Estonian Transport and Road Workers' Trade Union (ETTA) - agreed on a new collective labour agreement.





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


 [From the Federal Register](#): **Board of Governors Meeting DATES AND TIMES:** Tuesday, November 15, 2011, at 10 a.m.; and Wednesday, November 16, at 8 a.m. **PLACE:** Washington, DC, at U.S. Postal Service Headquarters, 475 L'Enfant Plaza, SW., in the Benjamin Franklin Room. **STATUS:** Tuesday, November 15 at 10 a.m.--Closed; Tuesday, November 15, at 1:30 p.m.--Open; November 15 at 4:30 p.m.--Closed; and Wednesday, November 16 at 8 a.m.--Closed **MATTERS TO BE CONSIDERED:** Tuesday, November 15 at 10 a.m. (Closed) 1.

Strategic Issues. 2. Financial Matters. Tuesday, November 15 at 1:30 p.m. (Open) 1. Approval of Minutes of the Previous Meetings. 2. Remarks of the Chairman of the Board Louis J. Giuliano. 3. Remarks of the Postmaster General and CEO Patrick R. Donahoe. 4. Committee Reports. 5. Consideration of FY 2011 10K, Financial Statements and Annual Report. 6. Consideration of Fiscal Year 2011 Comprehensive Statement and Annual Performance Plan. 7. Consideration of Fiscal Year 2012 Integrated Financial Plan. 8. Consideration of Final Fiscal Year 2013 Appropriation Request. 9. Quarterly Report on Service Performance. 10. Tentative Agenda for the December 13, 2011, Meeting. 11. Election of Chairman and Vice Chairman of the Board of Governors.


 [Washington Post](#): Postal inspectors say they have responded to more than 52,000 calls about suspicious mail since the 2001 anthrax attacks. In recent years, however, the numbers have dropped significantly. Because most calls about suspicious mail are determined to be false alarms, officials have pushed for faster response times to the calls, which has led to fewer work disruptions.


 [Bike Portland](#): Shipping giant United Parcel Service is once again looking to save money on fleet vehicle costs by hiring bicycle delivery staffers during the busy holiday season.

 [Global Atlanta](#): Atlanta-based United Parcel Service Inc. has expanded access to its mobile website internationally, enabling business customers in 35 more countries and territories to manage shipments via tablets and smartphones.

 [The Telegraph](#): Postmen in one part of Essex have been ordered to stop making deliveries to houses on unmade roads due to health and safety concerns.

November 1, 2011


 [DC Velocity](#): UPS Freight, the less-than-truckload (LTL) unit of UPS Inc., said today it has launched an online pickup notification service for LTL shippers, a significant leap for a segment of the transportation industry not known for its technological savvy. Under the free service, UPS Freight shippers will receive near real-time information confirming when a pickup is scheduled, telling them when a UPS driver is en route to the pickup location, and notifying them when the pickup is made. Pickup notifications can be transmitted to up to five different e-mail addresses per transaction, said UPS Freight. The service can be used by companies that are arranging pickups at multiple locations, the company said.


 The following are just some of the details that have been reported regarding tomorrow's announcement of a Senate bi-partisan approach to postal reform:

- Returning the FERS overpayment to USPS; although the bill will set no numbers around how much of it has to be used for buyouts, that will be one of the goals to help incent, through added service credits or up to the federal limit of \$25K per worker, 100,000 workers to retire over the next three years;
- No rate increases; underwater classes, not products, will have the same delay and study as in the Ross/Maloney Amendment in the House bill;
- Retiree health prefunding will be foregone for one year, and then reamortized for forty, saving USPS approximately \$5B/yr
- Workers comp will be fixed across the face of the federal government to transition those well beyond retirement into pensions
- Saturday delivery changes will have a two-year moratorium, followed by a study by GAO on true savings in the wake of downsizing that will be further reviewed by the PRC for a final decision
- A process would be created to close facilities with a notice and comment period
- Arbitrators in postal labor negotiations would be required to consider the financial health of the USPS in any decision


No BRAC-style closure commission (or any closure commission)

- No Solvency Authority
- No breaching or overriding of collective bargaining agreements


 **Post & Parcel:** Swiss Post said today its head of finance and deputy CEO Markus Zenhäusern retired yesterday for reasons of ill health, to be replaced on a temporary basis by deputy head of finance Thomas Egger.


 Susan LaChance, vice president, Consumer & Industry Affairs is pleased to invite you to attend a Pricing webinar being presented by Maura Robinson, vice president, Pricing. The webinar will cover the January 2012 mailing services price change. There will be two webinars with a 200-line capacity and will be on a first come, first served basis. The first webinar is scheduled for Monday, November 7 from 1:00-2:00 p.m., with the makeup webinar scheduled for Wednesday, November 16 from 2:30-3:30 p.m. Below is the information to attend the November 7 Pricing webinar. In order to see the presentation, you will need to follow the link below. The information for the November 16 makeup webinar will be forwarded shortly.


DATE/TIME: Monday, November 07, 2011 @ 01:00PM US/Eastern (NOTE: You can attend only 30 minutes prior to the meeting start time.) TO ATTEND WITH AUDIO ONLY: From a BlackBerry, select: 866 567-80497467923# or From a phone, dial: 866 567-8049 Meeting ID: 7467923 TO ATTEND THE WEB CONFERENCE AND JOIN WITH AUDIO: Important: The link below can only be used to attend your meeting(s), not to make changes or access meeting recordings. 1) Browse to: <http://meetingplace3.usps.gov/join.asp?7467923> 2) After the MeetingPlace window is open, click the Phone icon (under the Participant List or in the upper right-hand corner). 3) Click Connect Me, validate or update your phone number and click Connect Me again. 4) When the system calls you press 1 to join.


 A bipartisan group of senators will announce plans to reform and bring savings to the United States Postal Service tomorrow, November 2 at 11:30am. **Senate Homeland Security and Governmental Affairs Committee Chairman Joe Lieberman, ID-Conn., Ranking Member Susan Collins, R-Maine, Federal Financial Management Subcommittee Chairman Tom Carper, D-Del., and Ranking Member Scott Brown, R-Mass.,** will unveil their compromise agreement to pull the USPS from the brink of financial failure. Who: Senators Joe Lieberman, ID-Conn., Susan Collins, R-Maine, Tom Carper, D-Del., and Scott Brown, R-Mass. What: Press Conference to announce postal reform agreement Where: Senate TV/Radio Gallery, S-325 When: Wednesday, November 2, 11:30 a.m.

 Reserve the date! **MAILCOM 2012** 32nd Annual Convention April 15-18, 2012 Marriott Wardman Park Washington, DC www.mailcom.org

 C21's Art Sackler was the guest on last weekend's episode of the White House Chronicle. The White House Chronicle airs on PBS and Public Access television stations throughout the country, including WETA here in Washington, DC. It also airs on Sirius/XM's POTUS radio station. Art was the lone guest for the program, which focused exclusively on the Postal Service. The episode can be viewed here: <http://www.whchronicle.com/2011/10/u-s-postal-service/>


 **eCommerceBytes:** Ecommerce giant eBay is calling on its network of sellers to petition members of Congress to oppose any measures to reform the U.S. Postal Service that would entail an increase in shipping rates for small sellers.


 **Huntington News:** U.S. Rep. Nick Rahall (D-W.Va.) Monday urged the Postmaster General to halt post office closures in southern West Virginia until the U.S. Postal Service (USPS) can ensure that legitimate safety and convenience concerns are being addressed, asking the postal regulatory agencies to exercise their oversight authority to the fullest extent in slowing down the closure process.

 **ERR:** The state's postal service raised the fee for mailing domestic letters from 35 to 45 cents today. The 10-cent increase was necessary due to the rising price of fuel and other operational costs, the company said.



From the Federal Register: Postal Regulatory Commission New Postal Products , 67496–67498 [2011–28123] [\[TEXT\]](#)[\[PDF\]](#) Post Office Closings , 67498–67499 [2011–28122] [\[TEXT\]](#)[\[PDF\]](#) Postal Service Price Adjustments , 67500–67503 [2011–28214] [\[TEXT\]](#)[\[PDF\]](#)

 [American Postal Workers Union](#): The battle over the future of the Postal Service — and our jobs — has reached a critical stage: Key senators are meeting behind closed doors in an effort to produce a compromise bill to address the USPS financial crisis. It is likely that any proposals they develop will be submitted to the congressional "super-committee" to be incorporated into the committee's plan to reduce the nation's deficit.

 [National Mail Handlers Union](#): In addition to the recent Finance Presentation discussed in last week's update, the Postal Service has provided the NPMHU bargaining team with an Operations Presentation. During this meeting, the Postal Service highlighted key changes that the agency wants to make to the current operating model in order to reduce costs. Underlying the presentation was the notion that in the past, the Postal Service's question was typically: "How can we expand operations to stay ahead of the growth in mail volume?" Now, however, the principal question for the Postal Service has transformed into: "How can we shrink our expenses to keep costs in line with declining revenue?" According to the Postal Service, this paradigm shift will mean significant changes in the way that the Postal Service runs its operations around the country. The Postal Service is convinced that the most appropriate course of action is to "shed excess capacity." This means a combination of reduced work hours, reduced service hours and, as USPS Vice President of Network Operations Dave Williams emphasized, a "reduction in our operational footprint."