




Association for Postal Commerce


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Postal News from December 2011:


December 31, 2011

 [Express and Star](#): A pay row between Royal Mail and temporary workers has intensified after staff waiting for Christmas wages had just 1p put into their bank accounts. Hundreds of workers employed to tackle the Christmas rush have suffered after payroll problems delayed their wages. The firm insists it has managed to pay most of its seasonal workers but staff, some of whom say they are owed hundreds of pounds, say they were stunned to find their accounts credited with just a penny. The mix-up has affected staff at sorting offices in Wolverhampton, Birmingham and Stafford. Royal Mail has apologised but said the "vast majority" of those issued 1p had been overpaid previously and it was a nominal fee to complete a transaction.


 [At the Postal Regulatory Commission](#): **Postal Regulatory Commission NOTICES** New Postal Products , 143–144 [2011–33671] [[TEXT](#)] [[PDF](#)]

 [Moconews.net](#): According to figures from ZenithOptimedia, global advertising revenues will reach \$486 billion in 2012, a rise of 4.7 percent compared to 2011. With wider economic pressures bearing down on the overall ad market, digital ad spend is still seeing healthy growth: it will account for slightly more than one-fifth of all ad spend, but more than half of all growth, as advertisers become more confident in digital media metrics, and the ad industry gets more sophisticated in what it offers to brands and publishers in the name of digital advertising—which will remain a key way of funding digital content, as media companies continue to tinker with other charging models.

 [Courier, Express, and Postal Observer](#): The New York Times today has a wonderful story about the role that mail played in driving the decline of Newt Gingrich's poll numbers in Iowa. While the article quotes a Republican activist that is not persuaded, it is hard to imagine how the average voter is not affected by wave after wave of print ads painting a negative picture of Newt Gingrich sent by Mitt Romney and super PAC's that support him. The decision makers in these campaigns know that the "mail moment" that a postcard advertisement creates grabs a voter's attention more fully than any web, television or radio advertisement could possibly do.

 [The Delphos Herald](#): In a flashback to January 2010, United States Post Office workers and residents vigorously opposed the proposed closure of the mail processing center here during a meeting Thursday night at the Stranahan Theater with several hundred in attendance. A similar meeting was held nearly two years ago at Lima Senior High School when Chu Falling Star of the USPS district office in Cincinnati announced the closure of the Lima Processing and Distribution Center. Toledo employees questioned the dollar figures the postal service claims it will save, much like Lima employees had. The USPS claims it will save more than \$19 million by processing Northwest and West Central Ohio mail in Columbus and Detroit. Delphos residents may be thinking something like "here we go again" after bad experiences with lost mail and late mail after the Lima facility closed in October 2010. That

action on the part of the postal service is something it now admits did not go well. "Admittedly, Lima didn't go well at all," said Representative David Van Allen. "We learned from it, though, and those mistakes won't be repeated. Lima is a bad mark on our process but this has been done around the country and the rest have gone quite smoothly."

 **New York Times:** In a remarkably swift reversal, Verizon Wireless has canceled plans to impose a \$2 "convenience fee" on some bill payments, just a day after announcing the new policy. The company said in a statement that it was dropping the plan in light of customer feedback.





Doulaveris at (703) 248-2286.

A new 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

- [Expedited Packaging Supplies Program \(Report Number FI-AR-12-001\)](#). Our report found the Postal Service did not have an efficient and effective process to identify and reduce waste associated with its expedited packaging supply program or a clear process for informing customers of procedures for returning unused supplies. In addition, it did not update guidance to reflect changes to return policies, have standard operating procedures for major programs and processes, or fully implement audit recommendations from a 2005 audit in this area.

December 30, 2011

 **Memphis Business Journal:** The federal government is suing FedEx Corp. for alleged violations of Federal Aviation Administration regulations in 2008 and is seeking \$1.55 million in civil penalties.

 **Courier, Express, and Postal Observer:** The Postal Service has put up a placeholder for the GoPost log-in page. This is what the body of the page now looks like. It looks like their marketing campaign promoting GoPost will follow what DHL did in Germany and focus on getting missed packages.





PostCom Members!! The USPS has published its **FY11 Annual Compliance Report** with the Commission. Quick Summary:


- FCM has an overall cost coverage of 199.4%; only subproduct underwater is Inbound SP FCM International
- Std Mail's overall cost coverage is 147.6%; Flats are down at 79.4% cost coverage and Parcel/NFMs are at 84.8%.
- Periodicals' overall coverage is 74.9%; within county is 77.5% and outside county is 74.5%
- Package Services' overall coverage is 94%, with SP Parcel Post at 89.2%, BPM parcels at 98.4%, and Media/Library at 77%
- Special Services' cost coverage is 132.6%


Also contained in this report is the workshare discounts spreadsheets that show cost coverage.

<http://www.prc.gov/Docs/79/79166/FY.2011.ACR.pdf>


 **PR-USA.Net:** Text messaging marketing is something that is actually very popular these days. There are so many different websites that you can actually use to get this type of information. There are so many different sources that you can use to get this information off of. Text messaging marketing has really evolved. Many businesses are even beginning to take advantage of this because there is so much that they can do with it. It is definitely amazing. All of the postal mails, newsletters, and even ads are all being replaced by emails. There is so much that mass text can offer that these other methods cannot. This is why many people use mass text over anything else.


 **ThomasNet News:** As component of Statement and Transactional Billing+ products and services suite, BLINK provides enrollees and users with secure, authorized access to billing statements and notices via existing online framework. Customers can, in addition to paperless presentment, make payments online and are directed through links on company's website to branded payment page that accepts ACH and card payments (one-time or recurring). Also, mobile application is customizable to user's device.

 **BBC:** A Royal Mail website that allows people to calculate their postal costs has now been down for more than a month. The Price Finder page - which calculates postal costs of packages based on size and weight - has been closed since 21 November. A spokesman said that work was ongoing to try to solve the problem, after the page affected the functionality of other related services. Other Royal Mail website services that were affected should now be working.


 **Scottish National Party:** SNP Postal Affairs spokesperson, Mike Weir MP, has called on Ofcom to clarify proposals which could result in the price charged for sending parcels to remote areas soar. As part of a consultation on the future of the universal service obligation – which closes on 5 January - Ofcom are proposing to give Royal Mail full commercial freedom to determine contracts with large companies and other postal providers as to what they will charge for the final delivery of items. Mr Weir has expressed concern that this could lead to higher prices in rural and remote areas and has raised the matter at a meeting with Ofcom.


 **From the Federal Register:** **Postal Regulatory Commission NOTICES** Meetings; Sunshine Act , 82323–82324 [2011–33665] [\[TEXT\]](#) [\[PDF\]](#)

 **People's Daily:** The official website of the United States Postal Service (usps.com) recently launched a simplified Chinese language version, in a bid to meet the growing needs of Chinese Americans.


 **E-Invoicing Platform:** Despite a new US Postal campaign to promote paper invoices, the United States Postal Service announced early December that it plans to close roughly 50% of mail distribution centres. The reason: to accommodate expected declines in revenue from first class mail. As a result of these closures, first class mail will no longer be delivered in a single day, adding to the time it takes for checks to reach US businesses. And this could slow Accounts Receivable for US businesses.


 **AdAge:** "In the Rush to Digital, Leave Room for the Millions Who Still Like TV and Print It's Trendy to Go All-New Media, but We Need a Mix of Strategies to Assure Growing Brand Awareness."

 **At the Postal Regulatory Commission:** [Special Study of Off-Shore Delivery Service Performance.](#)
The Postal Regulatory Commission (PRC) included requirements for a special study in Order 292 and Order 465 as part of Rule 3055.7. The special study is required to evaluate final delivery service performance to the remote locations of Alaska, Honolulu and Caribbean Districts as compared to the service performance to the Gateway cities of Anchorage, Honolulu and San Juan. Because transit-time measurement already includes Single-Piece and Presort First-Class Mail, Standard Mail, and Package Services to and from all ZIP Codes in these areas, the PRC acknowledged that additional testing may only be needed in areas with insufficient mail volumes.

 **GlobalAtlanta:** Atlanta-based United Parcel Service Inc.'s "Perception of Global Trade" survey of more than 1,000 small- to medium-sized U.S. firms found that 64 percent of those firms that export saw a financial return within two years. The online survey from Aug. 11-19 on behalf of UPS by TNS, a member of the global research firm Kantar Group, also found that 34 percent of the firms that export saw a financial return in six months. According to a Dec. 28 UPS news release, the survey found that almost half, 49 percent, of the exporting respondents said they expect to double their businesses' exports by 2015. Additionally, 66 percent said that up to 25 percent of their annual revenue comes directly from exporting. But, also revealing, only 24 percent of the 1,082 respondents, said they are engaged in global trade. The survey also found that the firms, which do not export, were deterred from doing so because of "the dour economic news of recent years has discouraged them." The survey found that the firms engaged in global business with the most success were exporting to Canada, Mexico, the United Kingdom and Australia – countries with which the U.S. either has free trade agreements or bilateral trade relations.


December 29, 2011


 **Wall Street Journal:** Verizon Wireless further frustrated customers Thursday by announcing it would impose a \$2 fee on customers paying their bills by phone and on the Verizon website starting Jan. 15. The company said it was necessary to help pay for "single-bill payment options." Customers can avoid the fee by paying electronically through their bank or with **traditional mailed-in checks**, among other options.


 **Digital Journal:** Connect Your Home, an authorized retailer for providing home services to consumers nationwide, has added a feature to its website that allows new homeowners to complete a change of address form online.


 *At the Postal Regulatory Commission:*


- [Docket No. ACR2011](#): "United States Postal Service FY 2011 Annual Compliance Report"
- [Docket No. CP2012-2](#) established a range of possible fees within which the fees for Post Office box service at competitive locations must fall. Order No. 1062 at 5 (December 21, 2011). Today the Postal Service announced in the Postal Bulletin the actual fees that will apply to box service in the competitive locations, effective January 22, 2012. Consistent with the request in Order No. 603, at 8, the Postal Service also hereby provides notice of the fees directly to the Commission. The Postal Service is creating internal/customer fee groups (C30-C44) that correspond to the MCS fee groups (C1-C7), and their fee ranges, as indicated in the following price tables. The fee group assignments (C30 to C44) for each of the 6,800 competitive offices will be made available, by ZIP Code™, in the January 12, 2012, Postal Bulletin.

 **Post & Parcel:** The Philippine Postal Corporation (Philpost) has signed a deal to work with the Philippine Long Distance Telephone Company (PLDT) to connect all the country's post offices to the Internet. The deal initiated by the country's new postmaster general Josefina M Dela Cruz will see the largest telecommunications company in the Philippines providing Philpost with computers and internet access to link up 188 post offices across the nation.


 **DMM Advisory: Refunds for Overpayment of Postage for Special Postage Payment Systems Mailers** who wish to request a refund for an overpayment of postage should contact their local Post Office®, unless the refund request is for a mailing presented under a Special Postage Payment System (SPPS). Refund requests for mailings submitted under SPPS should be submitted with all supporting documentation to SPPSRefunds@usps.gov. A list of documents required to be submitted for refund requests is posted on [RIBBS®](#) at https://ribbs.usps.gov/bma/documents/tech_guides/SPPSRefundProcess.pdf. If the refund request pertains to a MERLIN® appeal, presort error, double payment, problem loading Mail.dat® files into PostalOne!®, metered mail, precanceled stamp mail, nonprofit Standard Mail®, delayed mail or any issues that do not involve an SPPS, it first should be submitted to the local Post Office where the mailing was made.

 **U.S. Court of Appeals:** The Game Fly appeal of the PRC's ruling on its complaint against the USPS has been reinstated.

 **Auctionbytes:** While online sellers brace for increased shipping costs as UPS and FedEx institute their annual fee increases next week, EquaShip announced Thursday it is lowering its rates for small- and medium-sized businesses. The cofounder and CEO of the new parcel service that caters to small shippers called his two competitors a "duopoly" and said smaller shippers who don't qualify for the deep discounts that larger shippers negotiate will once again bear the brunt of the rate hikes.


 **Washington Post:** The U.S. Postal Service relied on questionable data to identify more than 3,600 post offices and other retail operations to study for closure, an oversight panel has concluded. In many cases the selection process ignored whether an alternate post office was nearby, which closures would reduce costs the most and lacked sufficient data and analysis to make the best decisions, the Postal Regulatory Commission said. "We certainly challenge their methodology," the commission's chairman, Ruth Goldway, said Wednesday. "They had a simple


screening process," she said. "But it did not optimize the choices. They don't have really good data that tells them which post offices will continue to grow or be on a downhill path."


 [Orange County Register](#): *NALC President Frederic Rolando* -- The commentary piece on the U.S. Postal Service by Rep. Darrell Issa ["Post office should adapt, not get bailed out," [ocregister.com](#), Dec. 20] blames management, workers and e-commerce for the financial crisis; warns of a taxpayer bailout; proposes degrading the agency and turning it over to federal bureaucrats to save it; and says the problem can be summed up by one word: procrastination.


December 28, 2011

 At the [Postal Regulatory Commission](#): **USPS Preliminary Financial Information November 2011.**

 [Business Journal Daily](#): The U.S. Postal Service projects it could reduce its annual expenses by \$7.8 million by closing the mail processing and distribution center downtown. In that figure, the Postal Service says it would save \$5.3 million by cutting 99 jobs and moving the Youngstown operations to its Pittsburgh center 67 miles away. Of the 99 positions in Youngstown, 97 are craft jobs and two management positions. The other \$2.5 million comes savings on maintenance, transportation and what it terms "non-mail" processing.


 [Sacramento Bee](#): "Head to Head: What should we do about the U.S. Postal Service? Fix it or nix it?"


 [Famagusta Gazette](#): "Finally! UK post arrives in Cyprus"


 [The Economic Times](#): The courier and express industry has demanded postal services wing of the Department of Post be hived off under the proposed reforms to create a level-playing field in the sector.


 [Azerbaijan Business Center](#):

- [Azerbaijan's national postal operator Azerpocht](#) plans to complete connection of its postal branches within Financial Services Development Project (FSDP) to banking and financial services in 2012. Novruz Mammadov, head of the Communications & IT Ministry's Postal Office, says that work in this direction can be completed by the end of the 1st half of 2012.
- [In 2012 Azerbaijan's national postal operator LLC Azerpocht](#) intends to expand the number of ATMs and POS terminals in its network. Novruz Mammadov has informed that at present 7 ATMs have been installed in Azerpocht offices in Baku. "During 2012 we intend to install up to 100 ATMS, on the whole our purpose is installation of at least 1 ATM in each of our offices",- he noted. At present 700 post employees get salaries through plastic cards.


 [Denver Post](#): A storm that brought significant snow to the Front Range also produced sizeable headaches for many people who were awaiting delivery of packages via United Parcel Service. While Federal Express and the U.S. Postal Service were able to get their packages delivered before Christmas without significant incident or complaint, the same can't be said for UPS. On Saturday afternoon, hundreds of people stood in line at the UPS customer service center in Commerce City hoping to retrieve gifts, medication and other must-haves in advance of the holiday — many without success. The facility's manager told The Post's Jordan Steffen that as many as 50,000 packages would not be delivered before Christmas. "I've got an army out trying to find packages and I've got an army out trying to deliver packages," he said. "The moral of the story is you have to ship early." While that point won't win him any customer service awards, he's right, — to a degree. There are many lessons to be learned from this episode. Read more: Editorial: What Brown couldn't do for Denver - The Denver Post
http://www.denverpost.com/opinion/ci_19627471#ixzz1hqGpctAm Read The Denver Post's Terms of Use of its content: <http://www.denverpost.com/termsfuse>


 [Courier, Express, and Postal Observer](#): *The latest from Swami Robinson* -- "25 Predictions for the U.S. Courier, Express and Postal Market for 2012."


 [Courier, Express, and Postal Observer](#): In his incendiary tweets last week, Chairman Darrell Issa laid out a marker on postal reform. He will not step back from championing H.R. 2309, the Postal Reform Act of 2011, faces some challenges in the House and no future in the Senate. Why is he being stubborn? Chairman Issa knows that that his ability to influence the future of postal reform requires that he ensure that he can hold a majority of the Republican caucus behind his approach.


 [U.S. Senator Susan Collins](#), Ranking Member of the Senate Homeland Security and Governmental Affairs Committee and one of the authors of bipartisan postal reform legislation, today issued the following statement regarding the Postal Regulatory Commission's advisory opinion on the U.S. Postal Service's plan to close almost 3700 post offices and other retail facilities.


The Postal Service is required to ask the PRC for a non binding opinion on nationwide service changes. The PRC said 'the Commission's primary finding is that the (closure plan) was not designed to optimize the network. The Commission recommends the use of modern optimization tools and techniques to better maximize net retail revenues while fulfilling statutory service obligation. The Commission's unanimous findings support my and many of my colleagues' skepticism about the wisdom of mass postal closures without a more thoughtful, transparent, and data-driven process," said Senator Collins. "Fortunately, such a process is included in the 21st Century Postal Reform Act, which I authored along with Senators Lieberman, Carper and Brown. Our bill would require the Postal Service to find savings and internal efficiencies first – before raising prices and cutting service that could drive away the very customers keeping the mail in business. Today's PRC opinion only highlights the increasing urgency for Congress to pass comprehensive postal reform if we are to preserve the Postal Service for the next generation of Americans."

 [Cyprus Mail](#): Hundreds of people were left without Christmas parcels and letters from abroad over the holiday weekend following unprecedented delays at the post office. The Postal Services yesterday denied it was their fault, saying the delays were the fault of the British Royal Mail and their counterparts in Greece.

 [Post & Parcel](#): Russian Post is planning to continue expanding its international mail processing capacity next year, as the number of incoming mailpieces from abroad continues to soar. Russian Post said since the beginning of 2009, incoming international mail volumes have tripled, and the number of small packages coming into the country from abroad has quadrupled, particularly because of the growing number of Russians shopping through foreign e-commerce sites.

 [Knoxville News](#): While Congress' focus should be on making the Postal Service more competitive, a government-run service is as necessary today as it was in 1775 when the Continental Congress created the office of postmaster general. A government-supported postal service has a clear role as the nation's official distributor of mail — especially when that distribution might not be profitable for the private carriers. If that is the starting point for Congress' upcoming discussion, the flexibility urged by our state's delegation should offer a range of options to keep the mail running.

 [Washington Times](#): Congress should consider repealing the PAEA - giving the USPS the freedom to determine adequate postal rates and a sustainable level of funding of retiree benefits. Next, eliminate the USPS' monopoly status by nullifying the Private Express Statutes - federal laws that, with few exceptions, make it illegal for anyone other than the USPS to deliver letters for less than what the USPS charges. Regulating postage pricing and pensions and protecting its monopoly status has failed to save the USPS from a slow and painful death. Meanwhile, companies such as UPS and FedEx demonstrate the ability to provide postal services sans government interference. More government interference and/or using taxpayer money won't return the USPS to its former glory.

 [Wall Street Journal](#): Unions are challenging recently issued Federal Aviation Administration rules designed to reduce pilot fatigue, arguing in court and in Congress that the rules should cover cargo carriers as well as passenger airlines. The union representing the 2,700 pilots at delivery giant United Parcel Service Inc. filed a petition Thursday asking the federal appeals court in Washington to review the rules.


December 27, 2011





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


Mail Delivery: Are There Unnecessary Steps? Carriers are sometimes required to complete tasks they believe do not make sense. Examples include waiting in line for accountable items and having single pieces of First Class Mail driven out to them while on delivery, often requiring a carrier to change or retrace their route. How might the U.S. Postal Service improve operations and reduce costs while continuing to deliver mail? Share your thoughts on our [blog](#). **New Audit Projects:** [LINK](#) here to visit our audit project pages. This week we opened the following new projects: (Please share any information you may have that would help with these audits currently in progress by clicking on the links below):


- [**National Distribution Center – Tier One – Postal Vehicle Transportation – 12XG008NL000.**](#) The U.S. Postal Service Office of Inspector General (OIG) plans to audit Postal Vehicle Service (PVS) operations at Network Distribution Centers (NDCs). This self-initiated audit addresses operational risk. This will be a nation-wide audit.
- [**Revenue Sharing Agreement – 12BG009FI000.**](#) The Postal Service enters into strategic alliances, specifically revenue sharing agreements, with private sector partners for joint products, which may include a service or product sold to the public, joint marketing activities, a patented process or device, technical data, software, and cost savings strategies or devices. In return for substantive benefits from cooperative efforts to develop and/or market a joint product, the Postal Service allows its alliance partners use of any or all of the following: Use of or access to tangible Postal Service property (e.g., retail lobby space); Use of or access to intangible Postal Service property (e.g., trademarks, copyrights, patents, and technical data); Efforts of Postal Service personnel. Typically, in these revenue agreements, expenses such as operations, customer service, and marketing and promotion are the primary or sole responsibility of the private sector partner. The Postal Service has limited operational, marketing, and promotional involvement. The revenue sharing agreement stipulates Postal Service portion of the revenue and methods for calculation. This audit will assess the efficiency and effectiveness of the revenue sharing agreements process from creation through implementation and internal controls. In addition, we will determine if revenue is reported accurately and if the Postal Service is receiving its fair share.
- [**FY 2012 Sarbanes-Oxley Work Mandated by PAEA – 12BD011FI000.**](#) For this nationwide annual audit, the OIG is evaluating whether the Postal Service is complying with the Sarbanes-Oxley Act of 2002 — also known as “SOX.” SOX grew out of the large corporate financial scandals at companies like Enron and WorldCom. These scandals caused a decrease in the public’s trust of corporate accounting and reporting practices. SOX aims to improve corporate governance and enhance the accuracy of financial reporting. Under SOX, corporate leaders are responsible for establishing, evaluating, and monitoring the effectiveness of internal controls over financial reporting. IG will coordinate with the Postal Service and the independent public auditor to independently test and report on the effectiveness of Postal Service’s controls over financial reporting.


 [BGR](#): Users of Apple's iPhone smartphones and its iPad line of tablets accounted for 92% of all mobile purchases made thus far in December, a recent study by eCommerce company RichRelevance found.


 [The Hindu](#): Gift and greeting cards major Archies Ltd on Tuesday said the Department of Posts has allowed the company to sell postal stamps at its retail outlets across the country.

 [Chicago Sun-Times](#): The U.S. Postal System estimates that businesses mail nearly 48 billion account notices, statements, offers and bills to their customers every year. Online bill payment cut into the volume of mail, as we've all learned to click and pay. But here comes the next step: online bill presentment! It all starts at Manilla.com — a new, free service that collects and organizes your bills — everything from credit card and mortgage payments, to student loan debt and auto payments. It's better than scurrying around the Internet to find the companies that already post your bills online at their website. Now all the bills come to you in one place — electronically.


 [Azerbaijan Business Center](#): Azerpoc Ltd, the national postal operator of Azerbaijan, is ready to complete coordination of technical aspects of launch of the system of urgent money transfers (UMTs) via Secured Transfer of Electronic Financial Information (STEFI) with Ukraine next January.


 [Green Bay Gazette](#): A moratorium on closures and consolidations of U.S. Postal Service mail-processing plants won't affect the Oshkosh and Green Bay facilities, which are in the process of merging, officials said. Movement of mail processing and distribution work from Oshkosh to Green Bay has been running smoothly and will continue on schedule.

 [Post & Parcel](#): US regulators have criticised plans by the US Postal Service to close thousands of post offices. The Postal Regulatory Commission issued its Advisory Opinion last week, stating that the USPS initiative dubbed the Retail Access Optimisation Initiative hardly lived up to its name. "The primary Commission finding is that notwithstanding its name, the Retail Access Optimization Initiative is not designed to optimize the retail network," said the Commission. The regulator's verdict was that USPS did not currently collect the right information about all its facilities to determine which should be closed under its plan, which aims to cut retail operating costs by around \$200m a year, while providing alternative access to postal customers in the affected areas through partner-run postal counters. The Commission said given the data limitations, it was unable to determine how much money the USPS plans were likely to save.


 [4-Traders](#): PostNL has intercepted a large series of counterfeit postage stamps offered through public websites for a price well under face value. PostNL could have incurred several million euro in damage. PostNL's authenticity recognition system identifies the counterfeit stamps after which shipment of the postal item will be stopped.


December 26, 2011


 [Lake Placid News](#): Postal and local officials cut the ribbon on the first Village Post Office (VPO) in the Northeastern United States at McDonough's Valley Hardware in Keene Valley. The Postal Service unveiled the Village Post Office concept in the spring to be are considered in communities that have no post office or lose their post office.


 [The Advertiser-Tribune](#): *Sen. Sherrod Brown* -- This holiday season, Ohioans will receive scores of gifts - from Great Lakes beer to Cincinnati chili - but many of the parcels probably won't be dropped off by their local postal carrier. The U.S. Postal Service - the second-largest employer in the United States and one authorized by the U.S. Constitution - is governed by rules that limit its financial viability. To address a growing deficit, more than 120 post offices and 10 mail processing centers in Ohio have been slated for possible closure because of financial challenges. These closures could prove costly for middle-class families in our state, resulting in job losses and deteriorated service. That is why I fought for a moratorium on all postal facility closures until May 2012. With this additional time, Congress can modernize the rules and usher in the next era of the Postal Service.

December 25, 2011


 [The Hindu Business Line](#): There is no doubt that there is a need to reform and modernise the postal sector in India, and the new Postal Bill is an important step in that direction. The government needs to learn some critical lessons from the retail FDI stalemate while implementing changes in the Draft Postal Bill. If the Bill is implemented with the minimum price multiple of twice the government EMS, then small courier companies may have to resort to cost-cutting methods to remain competitive in the domestic market. To ask private operators to charge twice the Speed Post tariff, to say the least, is totally anti-consumer and a move to institute a government monopoly in the express segment which was hitherto non-existent.


 [Congressman Robert Aderholt](#) (AL-04) has introduced H.R. 3744, the Rural Service Preservation Act in the United States House of Representatives. The Act would: (1) ensure that the current level of postal delivery service continue for five years from enactment; (2) requires any buy-out used to cut workforce of postal employees be apportioned 10% rural 90% urban; (3) requires that any postal office closures also be made in the same 10% rural, 90% urban differential; and (4) defines rural areas with reference to the most recent decennial census and definitions of “rural” from the 2002 and 2008 Farm bills. *[EdNote: Fine. Now he needs to find the money to make what he wants possible.]*


 [Truth-Out.org](#): the Postal Service is legally required to provide uniform service quality and pricing to all Americans, regardless of where they live. By contrast, approximately 40 percent of the US population does not have dedicated Internet access, and about a quarter have no access at all to the so-called information superhighway. One way to correct this would be to have the Postal Service run a government-subsidized Internet system, with the same guaranteed, universal access to affordable service that the postal system has historically provided.


 [Save the Post Office](#): No one can deny that there is an element who would like to see the Postal Service privatized. What's happening, though, is more than an ideological expression of what government should or should not do or what could be done more effectively by the private sector. What we are seeing is essentially a predatory identification of \$62 billion in revenues that flow through the Postal Service. Those revenues represent a significant opportunity, more than merely a matter of low rates for the mailing industry, but the realization that those revenues could be captured and redistributed more "advantageously."


December 24, 2011


 [PR-USA.Net](#): NetDespatch, whose web-based software helps retailers despatch parcels for orders placed on-line, is reporting a 50 per cent increase in online traffic compared with the same two weeks before Christmas last year. Providing evidence that people are spending less in the shops and more online, the company's Internet servers are being accessed up to twenty million times an hour in the run up to Christmas.

 [The Island Packet](#): With a decline in letter writing, people are losing an intimate and enduring form of communication, historians and cultural observers said. Sentimental love letters may become a thing of the past. Read more here: <http://www.islandpacket.com/2011/12/24/1906567/special-delivery-the-dying-art.html#storylink=cpy>


 [Sheridan Media](#): Wyoming Governor Matt Mead released a statement on the decision by the United States Postal Service to delay its closure of rural post offices across the country, calling the inaction “prudent”.

 [Businessweek](#): Planned cost-cutting measures could challenge millions of sole proprietors running tiny operations that rely on inexpensive shipping


 [Save the Post Office](#): Over the past couple of weeks, numerous local news outlets around the country have published op-ed pieces and "letters to the editor" written by District Managers of the Postal Service. The interesting thing about these opinion pieces is that, with a few minor variations, they are all the same — word for word.

 [Chicago Tribune](#): The post office is in the final stage of decaying into total irrelevance. The only way to stop the decay is to unleash the Postal Service to compete ... and unleash the private sector to fully compete against it. Congress needs to end the monopoly the Postal Service holds on delivering everything that lands in your mailbox.


Invite more private competition, as some European countries have. Let the USPS set rates so it isn't forced to lose money on anything. If those rates go too high, private competitors will offer better deals.

 *From the Federal Register:*

Postal Regulatory Commission	
NOTICES	
Meetings; Sunshine Act , 80984–80985 [2011–33338]	[TEXT] [PDF]
New Postal Product , 80985–80986 [2011–33061]	[TEXT] [PDF]
Postal Service	
NOTICES	
International Product Change – Global Expedited Package Services – Non-Published Rates , 80987 [2011–33161]	[TEXT] [PDF]
Product Change – Priority Mail Negotiated Service Agreement , 80987–80988 [2011–33030]	[TEXT] [PDF]
80987 [2011–33031]	[TEXT] [PDF]

 [Sen. Thomas Carper](#) (D-Del.), Chairman of the Senate subcommittee that oversees the U.S. Postal Service, released the following statement on the U.S. Postal Service's announcement regarding moving forward on the closure of the Hares Corner Processing Center. The U.S. Postal Service originally scheduled a public meeting regarding the announcement for January 4, 2012. However, Sen. Carper asked the Postal Service to delay that meeting to allow more time for review, and the Postal Service has rescheduled the meeting for January 12, 2012. Additionally, in light of the holidays and a lack of public information on the decision-making process to close Hares Corner, Sen. Carper has sent a letter to the Postmaster General requesting to postpone the meeting further – by at least a week – to allow the public, key stakeholders and elected officials sufficient time to understand the factors leading up to this decision and to fully prepare to make appropriate comments at the public meeting. "Obviously I am disappointed to learn that the U.S. Postal Service has decided to move forward with the closure of the Hares Corner processing center in Delaware. It is painful any time a community faces the loss of a postal facility – be it a post office or a processing center – and I know that communities in Delaware and around the country are struggling with the ramifications of the Postal Service's proposals."

December 23, 2011

 [At the Postal Regulatory Commission](#): The Postal Regulatory Commission today issued its [Advisory Opinion](#) in Docket N2011-1 on the Postal Service's Retail Access Optimization Initiative (RAOI), a program that identified more than 3,600 post offices and other retail facilities for possible closure this year. The Postal Service is required to ask the Commission for an Advisory Opinion on any change in nationwide service it proposes. The Commission found that the RAOI is likely to affect access to postal services. **The Commission's primary finding is that the RAOI was not designed to optimize the network.** The Commission recommends the use of modern optimization tools and techniques to better maximize net retail revenues while fulfilling statutory service obligations. Ruth Goldway, Chairman of the PRC explained: **"The Commission was unanimous in expressing its concern that the Postal Service's plan did not and could not, because of lack of data and analysis, determine the facilities most likely to serve the greatest number, reduce the greatest costs, or enhance the potential for growth or stability in the system.** We agree that the Postal Service access network should be right-sized but found that the RAOI was not the proper approach to meet that goal." The Commission was unable to develop reliable cost savings.




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.

[Fiscal Year 2011 Postal Service Financial Statements Audit – Eagan Information Technology and Accounting Service Center \(Report Number FT-AR-12-007\)](#). Our report found that financial accounting policies and procedures are adequate and in compliance with accounting principles generally accepted in the U.S. and that Eagan IT/ASC accounting transactions are fairly stated in accordance with generally accepted accounting principles. We also determined the Postal Service complied with laws and regulations that govern the Eagan IT/ASC and have a direct and material effect on the financial statements.



From the Federal Register:

Postal Regulatory Commission	
PROPOSED RULES	
Periodic Reporting ,	
80312–80314 [2011–32906]	[TEXT] [PDF]
NOTICES	
New Postal Products ,	
80412–80413 [2011–32900]	[TEXT] [PDF]
Postal Service	
NOTICES	
Meetings; Sunshine Act ,	
80417 [2011–33026]	[TEXT] [PDF]

 **Hellmail**: The French La Poste and Swiss Post, two of Europe’s principal postal operators, have announced their intention to combine their respective cross-border mail activities in order to further enhance and develop their international mail business. The alliance could be operational in the course of 2012 in the form of a joint venture company to be owned equally by La Poste and Swiss Post, and which would be positioned among the key players in this sector. The Boards of Directors of the two companies have approved the joint venture, subject to all required regulatory approvals being granted.

December 22, 2011

INDUSTRY ALERT United States Postal Service **Mailing Industry Stakeholders**: The “Information for Mailers” web page has been updated to include documents and links to the proposed rule to revise service standards, new FAQs, and a spreadsheet showing the status of Area Mail Processing studies (including drop ship keys and public meeting dates). Also posted are model Service Standard Directory files for market dominant products and labeling lists based upon a hypothetical network. These last two documents are simply intended to illustrate changes that could potentially result from the proposed network consolidation plan. Of particular interest will be the answers to two of the questions mailers frequently have asked:


Q: Will customers continue to be able to enter bulk mail at Business Mail Entry Units (BMEUs) currently located in impacted facilities?


A: Where practicable, a BMEU will remain in the impacted facility. In situations where this is not feasible, acceptance units will be located within relatively close geographic proximity to the impacted facility.


Q: Will Designated Section Center Facility (DSCF) discounts still be available for mailings entered at BMEUs that remain in impacted facilities?

A: In an effort to mitigate concerns about the potential loss of the SCF discount, the Postal Service will continue, as the network is transitioned, to allow mailers to claim the SCF discount at the specified new entry unit location for mailings that previously had been entered at the BMEU of an impacted facility.

The new materials and links to additional information can be viewed now at <http://about.usps.com/news/facility-studies/welcome.htm>. Updates and additional information will be added as they become available.

 **Wall Street Journal:** Lots of people like a white Christmas, but the notion keeps United Parcel Service Inc. up all night. Weather is the biggest cost variable for freight shippers, affecting everything from flight takeoffs and landings, to added fuel costs when planes are diverted. Freight operators generally have to eat the cost when a shipment doesn't make its delivery on time, so snow, ice, rain, and fog can frost their bottom lines. UPS expects this week to be its busiest of the year, and estimates it will ship 120 million packages, 6% more than in the same week last year. Each late shipment will cost UPS between \$5 and \$30 in revenue.

 **Wall Street Journal:** The U.S. economy expanded less than thought during the third quarter as consumer spending fell short of an earlier estimate, though signs point to stronger growth in the final months of the year. Gross domestic product, the broadest measure of all the goods and services produced in an economy, grew at an inflation-adjusted annual rate of 1.8% in the July to September period. While still the strongest performance of the year, the Commerce Department's third estimate of GDP is lower than the previous reading of 2.0%.

 **New America Foundation:** Not only do unbanked families have to spend more of their limited resources managing their money but they don't have a place to store and build up their savings. In fact, the small saver has largely been abandon in recent years. Traditionally, the US Savings Bond program was designed to serve the needs of the small saver, but that program has been refocused on larger and more institutional savers. Most banks have actually quick selling these as well, directing interested parties to the Treasury website. The Postal Service could step into the breach



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 Douloveris at (703) 248-2286.


- [Fiscal Year 2011 Postal Service Financial Statements Audit – Washington, D.C., Headquarters \(Report Number FT-AR-12-005\)](#). Our report determined the Postal Service's financial accounting policies provide for an adequate internal control structure, accounting transactions at headquarters impacting the general ledger account balances are fairly stated, and general ledger account balances conform with the general classification of accounts of the Postal Service on a basis consistent with the previous year. The Postal Service had one instance of noncompliance and we identified a control deficiency regarding manual journal voucher (JV) processing. We did not make any recommendations because management agreed to provide appropriate oversight to ensure the JV issues identified do not occur in the future.
- [Integrating Sustainable Energy in Facilities \(Report Number DA-MA-12-001\)](#). Our report determined the Postal Service has not measured the performance of currently installed alternative energy systems and that additional alternative energy projects might not be economically viable for the Postal Service at this time. However, there might be future opportunities to integrate state-of-the-art alternative energy technologies to provide potential savings and other benefits.


[Management Operating Data System \(Report Number CRR-AR-12-002\)](#). Our report found the Postal Service needs additional steps for making more accurate mail processing and cost avoidance estimates. Management should focus corrective actions on MODS operation numbers and facilities that are creating the most MODS errors. In addition, management can improve data quality review procedures and use alternative methods to minimize the effect of MODS errors.





DMM Advisory: IMb™ Services Update


- **PostalOne!® Release 29.0 Deployment** will require an extended maintenance window from 8 p.m. CST on Saturday, January 7, 2012, through 10 a.m. CST Sunday, January 8, 2012. During this maintenance window, all USPS® web services accessed through the Business Customer Gateway — including *PostalOne!*®, Facility Access and Shipment Tracking (FAST®), Mailer ID, Program Registration, and eDoc submission via Mail.XML® and Mail.dat® — will be unavailable.
- **FAST Release 19.0, Business Customer Gateway (BCG) Release 3.0, Program Registration 2.1 and Mailer ID Deployment** — Updating these applications will require an outage from 4 a.m. through 8 a.m. CST, on Sunday, January 8, 2012.
- **Test Environment for Mailers (TEM)** — FAST Release 19.0 and *PostalOne!* Release 29.0 will deploy to the Test Environment for Mailers (TEM) on Monday, January 9, 2012. FAST TEM will be unavailable from 8 a.m. through 12 Noon CST and the *PostalOne!* TEM will be unavailable from 4 a.m. through 4 p.m. CST.

 [New York Times](#): As the fourth quarter draws to a close, a spate of unexpectedly good economic data suggests that it will have some of the fastest and strongest economic growth since the recovery started in 2009, causing a surge in the stock market and cheering economists, investors and policy makers. But the good news also comes with a significant caveat. Many forecasters say the recent uptick probably does not represent the long-awaited start to a strong, sustainable recovery. Much of the current strength is caused by temporary factors. And economists expect growth to slow in the first half of 2012 to an annual pace of about 1.5 to 2 percent. How and when Congress acts will also have an important, if impossible to quantify, impact on consumer and business confidence, economists say. *[EdNote: What say we withhold congressional pay until the "ladies and gentlemen" up on Capitol Hill get off their duffs and actually do something productive? Why keep Congress fat and happy while the rest of the nation suffers.]*


 [Times of Zambia](#): Transport, Works, Supply and Communications Minister Yamfwa Mukanga yesterday took Zambia Postal Services (ZAMPOST) management to task for negligence of infrastructure and poor work culture.? Mr Mukanga arrived at the Lusaka Main Post Office around 08:00 hours and found that a good number of employees had not reported for work on time.? The visibly upset minister inspected managers' offices, the boardroom, washrooms, computer room, circulation branch and the foyer.?Mr Mukanga expressed sadness at the poor lighting in the main post office and failure by management to provide uniforms. He said the walls, floors, and the wash rooms needed to be cleaned on a regular basis, while the cobwebs should be removed as the infrastructure was a public facility that attracted hundreds of people seeking services.?


 [Sheboygan Press](#): When the U.S. Postal Service proposed closing more than 250 mail processing centers and about 3,700 local post offices, the announcement was met with a maelstrom of protest. It didn't take long for Congress to react to the unhappiness back home and call for a delay in implementation of any changes. But this delay still leaves only six months for lawmakers to come up with a solution to an expected loss of more than \$14 billion in the fiscal year. While Congress acted with lightning speed to halt the cutbacks, legislation that would alleviate at least part of some of the financial burden the Postal Service faces has not reached the floor for action. Clearly, Congress hasn't been willing to make the tough decision on what kind of service the post office will be going forward.


 [CBS New York](#): You may have noticed someone lurking around your street after normal business hours. No need for alarm. It's just your postal carrier. The U.S. Postal Service is delivering mail after dark as a way to cut down on its debt, reports CBS 2's Maurice Dubois.

 [Muskegon Chronicle](#): The letter carriers bringing Christmas packages and cards to local doorsteps are not having the best of holiday seasons. U.S. Postal Service sits at a crossroads. The status quo will generate billions in annual deficits, and the Obama administration and Congress are working on various reform measures to bolster the nation's

postal service. The postal workers' union sees the proposed changes as a "dismantling" of the postal service as it now operates. At the same time, U.S. Postmaster General Patrick Donahoe has the postal service looking at closing 3,500 "low-volume" post offices across the country and consolidating 460 mail processing centers to less than 200. He is asking Congress to allow the service to find a new business model as the Internet and electronic mail fundamentally change customer needs. "Everything is up in the air ... there is so much uncertainty."

 **4-Traders:** PostNL has reached agreement with trade union BVPP on a new collective labour agreement (CLA) for mail deliverers. The CLA offers higher pay to employees who remain with PostNL as mail deliverers for a longer period. The starting salary follows the trend in the minimum wage. Mail deliverers can now also take unpaid leave. Furthermore, the existing rules have been clarified regarding when mail deliverers will be compensated for having to wait for their mail. The clarification also applies to when mail deliverers do not have sufficient time to complete their delivery round. The CLA will run from 1 January to 31 December 2012.


 **Bloomberg:** Deutsche Post AG (DPW)'s rivals demanded that Germany introduce stricter regulation in the postal industry to increase competition, the Financial Times Deutschland reported today, citing the BBD postal association.

 **Sacramento Bee:** We have sounded the alarm loud and clear to Congress, and the time has passed for lawmakers to do more than just listen. Congress has a great responsibility to the American people and to the U.S. Postal Service. That responsibility means reviewing the best solutions and passing legislation that will guarantee a stronger Postal Service to serve America and commerce.

At the Postal Regulatory Commission:

- **[Docket No. CP2012-2: "Order Approving Changes In Rates Of General Applicability For Competitive Products"](#)** The Commission approves the planned competitive services rate changes and will reflect the classification changes in the draft Mail Classification Schedule (MCS). The changes are scheduled to become effective January 22, 2012.
- **[Annual report to the President and Congress 2011](#)**

December 21, 2011


 **DMM Advisory: January 2012 Price Change Federal Register Notices Published .** In the month of December, four price change-related [Federal Register Notices](#) were published. All four final rules are available on the Postal Explorer® website at pe.usps.com. The effective date of each of the final rules is January 22, 2012.


- **International Product and Price Changes (Shipping Services)** — We provide revised mailing standards in the International Mail Manual (IMM®) to reflect prices, product features, and classification changes to Shipping Services, including Global Express Guaranteed® (GXG®), Express Mail International®, and Priority Mail International®.
- **International Mail: New Prices and Fee Changes (Mailing Services)** — We provide revised mailing standards throughout the various Individual Country Listings in the IMM to reflect price adjustments for Mailing Services — First-Class Mail International® and extra services.
- **Domestic Shipping Services Pricing and Mailing Standards Changes** — We provide revised mailing standards in the Domestic Mail Manual (DMM®) to reflect changes to prices and mailing standards for Shipping Services, including Express Mail®, Priority Mail®, and First-Class Package Service™.
- **New Standards for Domestic Mailing Services** — We provide revised mailing standards in the DMM, including several mail classification changes, modifications to mailpiece characteristics, and changes in classification terminology.


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


 Given the steady decline in mail volume the Dutch government has made a - for other countries - potentially trend-setting decision. In the future PostNL will only be required by law to deliver

mail on five days per week - from Tuesday to Saturday. Currently PostNL is obliged to deliver mail on six days per week.


 Austrian Post's customers obviously are not satisfied with the company's services. In the recent customer satisfaction survey by Swiss KundenMonitorAG, Austrian Post doesn't score well. Among the eleven industries examined in the survey Austrian Post ranked next to the last place just ahead of the Austrian railway. The fact that the post lost 9 basis points compared to last year is probably the most bitter fact for the company.


 Post Danmark's e-service portal, e-Boks, goes mobile. With a new developed application for iPhones, iPad and Android smartphones the portal's most important features can be used. Additionally, Post Danmark plans to launch a version of the e-Boks website optimised for mobile devices before Christmas.


 While the CEP market in Germany further recovered from the economic crisis (see below), the partially 'dynamic development' in the letter segment did not continue in 2010. The Federal Network Agency concluded in its recently published annual report that letter mail, subject to licence, represented a sales volume of 9bn euros in 2010, down 2.2% (16.4bn mail items, +0.6%).


 Italy's antitrust authority imposed another hefty fine on Poste Italiane. The Italian post has to pay 39.3m euros for abusing its market-dominating position to 'hinder the development of liberalised markets'. The company had offered its competing products at predatory, below-cost pricing from 2007 to the end of 2010. This pricing was crosssubsidised by the company's reserved area of monopoly-protected postal services.


 Belgium's new prime minister Elio Di Rupo has announced bad news for bpost just a few days after he assumed office. According to unanimous media reports Di Rupo informed bpost's CEO Johnny Thijs that the company could be obliged to repay some hundred millions to the Belgium treasury next year. Di Rupo was referring to 300m euros of compensatory payments the post has received since 1992.

 The Indian government still plans to strictly regulate private express operators with the new postal services bill.

 Last Wednesday the Brazilian Post has launched the tendering procedures for 818 franchise contracts for post offices.


 Apparently DHL has changed its mind and doesn't want to completely take over Blue Dart Express, market leader on the Indian express market, anymore.

 Deutsche Post bought into an online supermarket. Last week it was announced that the post signed a strategic partnership with online supermarket All you need. Deutsche Post holds 33% in the Berlin based company, which plans to make online shopping easier with intelligent shopping aides.


 The new labour contract which has been signed by the union Teamsters and Puralator (CEP-News 46/11) can come into effect. 92% of the staff at Canada Post's subsidiary voted in favour of the new contract. According to the new agreement wages will increase by 16% and retirement allowances will even climb by 40%.





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.)*

 [Savannah Morning News](#): The Postal Service has often acted as if mail delivery was a mere nuisance distracting from the gainful pursuit of pensions. The Government Accountability Office reported in 2006 that the Postal Service fails to "measure and report its delivery performance for most types of mail." The GAO also found that the Postal Service's "outdated standards are unsuitable as benchmarks for setting realistic expectations for timely mail delivery, measuring delivery performance or improving service, oversight and accountability." The Postal Service has gotten


away with scorning its customers because it is effectively a federal crime to provide better mail service than the government. The Postal Service has a monopoly over letter delivery (with a limited exemption for urgent, courier-delivered letters costing more than \$3). The monopoly has become more indefensible with each passing decade. When people bought "forever" stamps, they didn't realize that the name referred to the delivery time, not stamp prices. The American people can no longer afford a monopoly more interested in storing letters than in delivering them.

 **Governing:** One of the institutions that holds us together and provides a structure within which markets can work is the United States Postal Service. Indeed, the Postal Service is such an important government institution that it is authorized by the U.S. Constitution. But somehow, we've become confused over the years about the role of the Postal Service. Instead of seeing it as part of the government structure within which markets work, we decided in 1970 that it was some sort of private player in the market place, competing with other players like FedEx and UPS.

 **From the Federal Register: Postal Service RULES** New Standards for Domestic Mailing Services , 79072-79090 [2011-32357] [[TEXT](#)] [[PDF](#)]

 **Courier, Express, and Postal Observer:** In a series of tweets today (see below), House Oversight and Government Reform Committee Chairman Darrell Issa repeated the assertion that Postmaster Pat Donahoe "folded like a cheap suit" when he "caved to political pressure just as it was making long-overdue rightsizing decisions."


*[EdNote: Perhaps Messers Issa and Ross can be convinced to reconsider that "folding like a cheap suit" remark. After all, both folded a little on their own by first delaying a little of this or putting off a little of that, while failing to provide the Postal Service the **timely tools** (flexibility and authority) to press ahead with sorely needed organizational and operation changes WITHOUT needless congressional interference. There is that old saying: **People in glass houses shouldn't throw stones** . Or . . . as the Good Book put it, **Why do you see the speck in your neighbor's eye, but do not notice the log in your own eye? First take the log out of your own eye, and then you will see clearly to take the speck out of your neighbor's eye.** "A cheap suit?" Not very becoming.]*

 **PostCom** *Been usin' "In-Home Date" delivery notifications? Thought you couldn't anymore? Think again. The Postmaster General did and he's given mailers the okay to use the in-home date delivery request as in the past. . . . By the way, if you REALLY want to get delivery on a specific in-home date, **use your head** . Be sure you prepare and enter your mail EXACTLY where and when it's necessary to receive delivery on that day in accordance with USPS service delivery standards. . . . And one final caveat. The Postal Service is NOT in the business of storing your mail. If you enter your mail earlier than necessary, then you'll be getting delivery earlier than requested. Again . . . use your head.*

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

- USPS Takes Next Steps on Network Plan and Service Standard Changes
- Proposed Changes Published by USPS; Comments Due February 13
- USPS Agrees to Delay Facility Closings until May 15, 2012
- Network Optimization Plans Announced in Mid-September
- USPS Requests PRC Advisory Opinion
- Majority Oppose USPS' Proposal; USPS Moves Forward
- Proposed Service Standard Changes
- Business Mail Acceptance Changes
- Status of Facility Closure/ Consolidation Studies
- What Comes Next?
- New Postcom Web Area Dedicated to USPS Network Initiative

Oh, I'm sorry. You're NOT a PostCom member, and you WON'T be getting this? Well, heck you can fix that quick. [Just join PostCom.](#)

 **Hartford Courant:** Hartford-area post offices saw a continuous flow of patrons Monday. Lines may have been light, but don't let that fool you — holiday shipping volume is up this year not only at U.S. Postal Service, but FedEx and UPS as well. In fact, FedEx set an all-time record last week — its busiest week, company spokesman Jim McCluskey said. Last Monday was the "highest-volume day in the history of the company," McCluskey said. "We shipped 17 million packages on that one day. That's a 10 percent increase over last year."




PostCom welcomes its newest member: [SourceLink](#) 2250 Hickory Road, Suite 140, Plymouth Meeting, PA 19462 represented by **Rich Cicha** Director, Client Postal Solutions.




*At the **Postal Regulatory Commission:** [Docket No. R2010-4R](#) Rate Adjustment Due to Extraordinary or Exceptional Circumstances: "Order Addressing Motion to Supplement And Related Filing"*

If the Postal Service wishes to pursue its Exigent Request, it must complete the submission of its entire case to the Commission. A complete case would include all information, materials, and testimony on which the Postal Service would rely to demonstrate that its Exigent Request satisfies the causal nexus of "due to," as interpreted by the Commission in Order No. 864, as well as the remaining requirements of section 3622(d)(1)(E). . . . As the Commission stated in Order No. 864, if the Postal Service desires to pursue its Exigent Request, it may rely on any materials that were in the record in this proceeding as of September 30, 2010. Order No. 864 at 54. However, the Postal Service should "identify with particularity those portions of the record as of September 30, 2010 that it believes support its Exigent Request." Id. This includes specifying the portions of those materials it is relying on, including page and section numbers.¹⁸ The Postal Service also would need to file a motion to supplement if it decides to "submit testimony or further legal analysis updating its prior submissions.


December 20, 2011


 **Omaha World-Herald:** Omaha payment processor First Data, which operates three printing and mailing facilities in the U.S., including two in Omaha, generates 1.5 billion pieces of mail each year. Executives don't think the proposed reductions will have much of an impact on the company's operations, but they believe customers could run into trouble. With fewer post offices and slower-moving mail, payments might not reach First Data in time. "From a consumer perspective, it has the potential to result in additional fees and/or interest, depending on when consumers mail their payments," said Tim Rosenthal, First Data's senior vice president of output services. Omaha-based insurance company Physicians Mutual, which sends out more than 85 million pieces of mail each year, doesn't plan to make any changes based on the Postal Service's proposed cuts. But senior vice president Bob Gunia said the company is doing more to encourage customers to opt for paperless statements — which help to keep costs down. Increases to postage tend to have the biggest impact on Physicians Mutual, though Gunia said any changes that show uncertainty at the Post Office is worrying.

 **Delmarva Now:** USPS has become less relevant not only because of technological advances, but also due to boneheaded management decisions by folks at the top -- many of whom will likely prosper were the USPS to be sold off piecemeal. While the execs were spending countless millions on everything from sponsoring Lance Armstrong's bicycle to constantly tweaking the corporate logo, they were in cahoots with homebuilders to eliminate your door slot in favor of "cluster boxes" so you, too, may enjoy the rain/snow/sleet/hail experience letter carriers have weathered since their creation.





From the Federal Register: **Postal Regulatory Commission Review of Nonpostal Services**, 78955–78957 [2011–32428] [[TEXT](#)] [[PDF](#)]


 [National Association of Major Mail Users](#): The 2nd annual survey conducted by Harris/Decima on behalf of Canada Post shows that greeting cards continue to be an essential tradition during the holidays – and one that permeates through younger generations, even if social media and electronic alternatives are prevalent in their lives. Overall, 75% of Canadians are planning to send an average of 20 cards this year, compared to 80% sending 19 cards in 2010. The majority (87%) of young Canadians (between 18 and 24) indicated they preferred receiving holiday cards in the mail with two thirds suggesting it had much stronger meaning than an electronic alternative. Three quarters of them were planning to send cards in the mail. Comparatively, Canadians between 35 and 44 admitted that they would most likely send cards electronically, mainly due to lack of time.


 [Post & Parcel](#): James Cartledge speaks to Serrana Bassini, Secretary General of the Postal Union of the Americas, Spain and Portugal, who next year is hoping to be elected the next head of the Universal Postal Union. At next year's Universal Postal Union meeting in Doha, Qatar, the 192 member countries will be selecting a new Director General to serve from January 2013 onwards. Current UPU chief Edouard Dayan, who has been in place since 2005, will be stepping down having reached his term limit. After fifteen years rising through the ranks at Uruguayan Post, and a similar length of time in senior roles at the Postal Union of the Americas, Spain and Portugal (PUASP), Uruguay is putting forward Dr Serrana Bassini Casco as a candidate to take on the role of Director General of the UPU from 2013 to 2017.

December 19, 2011

 [The Press-Enterprise](#): *Rep. Darrell Issa* -- The United States Postal Service is in a full-blown financial crisis and unless Congress acts now, a taxpayer bailout is all but inevitable. The source of these troubles is not a requirement that the Postal Service fund the health care and pension benefits that its employees rightfully earn. The problem is not even that email has taken away the Postal Service's business. The main problem can be summed up in one word: procrastination. Simply put, by delaying necessary changes to adapt to a changing world, the USPS, clinging to an antiquated business model, is now facing financial collapse. Inflexible congressional mandates and impractical union agreements have raised serious questions as to whether or not the USPS can make the necessary changes even if it had the will to do so. Yet, those who wish to preserve this absolutely unsustainable status quo are once again marshaling their forces against meaningful postal reform.

 [Business Insider](#): Couriers have traditionally relied on job board likes Craigslist to find delivery jobs within a city like New York or San Francisco. It's decidedly low-tech, but it's a \$12 billion market. Enter Postmates, a new startup from incubator AngelPad — a Y Combinator rival — that wants to blow up the local delivery business.

 [Business Daily Africa](#): Postal Corporation of Kenya (PCK) has sacked hundreds of striking workers on claims that the court had ruled that the industrial action was illegal.

 [Washington Post](#): The massive funding bill passed by lawmakers over the weekend delivered an eight-month reprieve to the U.S. Postal Service, potentially saving it billions of dollars. Buried within the omnibus spending package that funds government operations through September is language giving USPS until August to prefund the future retirements of hundreds of thousands of workers, as required by law. *[EdNote: Oh my heavens, what a surprise. Congress kicked the can far enough to be within goal distance to the 2012 election. Who'da thunk?]*




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


Social Media – What's in it for the Postal Service? More and more businesses are embracing social media, including the Postal Service, which has a Facebook page and a Twitter account. But is the agency using them effectively? Many potential customers spend time on social media websites, making them an important means of reaching people. Should the Postal Service advertise regularly on social media websites?


Share your thoughts on our [blog](#). A new audit project has been started on the external website.


- [Accountable Item Security – 12BG012FI000](#). The security of accountable items such as cash, stamp stock, money orders and equipment is of paramount importance to the Postal Service. The facility manager or supervisor is responsible for ensuring adequate accountable item security. In FY 2011, the U.S. Postal Service recorded stamp sales of approximately \$6.7 billion. At the end of the fiscal year, total stamp accountability at post offices nationwide was valued at \$84.3 billion. In addition, post offices retained approximately \$5.1 million in cash throughout FY 2011. As a result of accountability examinations during FY 2011, post offices posted stock shortages of \$13.3 million. Accountable items located in post offices may be at risk if they are not stored in secure containers or if access to those containers is compromised.


	<p><i>PostCom welcomes its newest member: decision/analyst partners LLC, 104000 Eaton Place, suite 315, Fairfax, VA 22030 represented by Pierre Kacha, Consultant.</i></p>
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 [Wall Street Journal](#): American Greetings Corp. shareholders are hoping Santa Claus delivers a good earnings report Thursday as the company looks to continue increasing revenue during its most important period of the year and amid heightened competition from the Web. The second-largest greeting-card maker by sales, which traces its roots to the early 1900s, has posted year-over-year growth on its top line over the past two quarters, a feat it had achieved only once in the previous two-and-a-half years. American Greetings is navigating a multiyear decline in industrywide greeting-card sales as more well-wishers express sentiments in email, Facebook and other means of social interaction.


 [AllAfrica.com](#): Postal services in Kenya were crippled on Friday after thousands of workers went on strike to press for better pay and working conditions. Led by the Communication Workers Union of Kenya (COWU) Secretary General Benson Okwaro, they took to the streets to demand a 30 percent pay hike as well as increased allowances.

 [ThisIsWiltshire](#): Royal Mail spokesman Nick Martens said: "Difficulties with the payroll system have meant that some temporary workers have not been paid on time or the correct amount. "We apologise for this as our temporary Christmas staff are very important to us. "The vast majority of our Christmas temporary recruits are being paid as usual into their bank accounts today. Where this is not possible, we are making huge efforts to put in place an additional payment channel. "This involves staff receiving a bar-coded letter which can then be redeemed for the relevant amount of cash at any Post Office branch.


 [The Leaf Chronicle](#): In an age where hundreds of millions of people are wired together via the Web, Twitter, LinkedIn, Facebook, e-mail, text message and other electronic connections, sending Christmas, Hanukkah or other holiday greetings poses a question: Stick with tradition or change it? To the chagrin of the hard-pressed U.S. Postal Service, the answer for many lies online. The Postal Service expects to handle about 16.5 billion cards, letters and packages between Thanksgiving and the end of the year, down about 1 billion from 2010 and off by one-third from 2007. That includes more than just greeting cards, but spokeswoman Darleen Reid says the economy and Internet have put all mailings in decline.


 [Insurancenewsnet](#): The U.S. Postal Service's plans to delay certain deliveries has some service groups concerned about potential complications with time-sensitive mail. Windows are as narrow as 10 days from the time a letter is sent to the time it is due back for services such as unemployment insurance. Response times for recipients could be as few as four days. Low-income households -- many already struggling with sending mail on time because of transportation troubles or empty bank accounts, to name a couple reasons -- could be at-risk of losing assistance because they miss deadlines, said Cheryl Graham, coordinator of volunteer services and the 2-1-1 social services hotline at the United Way of Howard County.


 [Stockmarketwire](#): Escher's Riposte Essential product has been selected as part of the programme to modernise the Armenian postal sector. Riposte Essential is a comprehensive retail management solution.


 [Reuters](#): Dutch postal group PostNL said its current pension obligations are untenable due to financial market turbulence and low interest rates and as a result it will reduce its pension contributions and stop its cash dividend. PostNL said it would start talks with the pension funds and the trade unions to discuss changes to the pension


arrangements and that in response to these "unforeseen circumstances," it will be reducing its investment budget and won't be paying out a dividend in cash "for the time being."

 [Ashdown Group](#): The Direct Marketing Association (DMA) has warned against proposed changes to price controls on the cost of Royal Mail's commercial bulk mailing services. Media regulator Ofcom is currently carrying out a consultation on a raft of controversial reforms to postal regulations, which the DMA believes could undermine competition and threaten the long-term prospects of the medium. The proposals include continuing to allow access to Royal Mail's network for competitors, monitoring Royal Mail's price margins to prevent unfair treatment of rivals, and removing price controls to give Royal Mail the ability to set the cost of its retail products. However, marketing experts believe changes could be counter-productive.


 [Azerbaijan Business Center](#): In the first quarter of 2012 Azerbaijan's postal operator LLC Azerpocht will start issuing payment cards of MasterCard system. Communication and Information Technologies Ministry of Azerbaijan reports that at present the agreement on card issuance and acquiring has been signed between MasterCard ? Azerpocht. Processing company Millikart will service Azerpocht's cashless transactions.


 [Transport Intelligence](#): TNT Express has reinforced its presence in central-western France with the opening of a new depot in Poitiers.

 [Dead Tree Edition](#): "Wanted: New Postmaster General; Must Be Able To Kiss 535 Backsides Simultaneously"


 [BBC](#): The post office has long been a core part of almost every community in America, yet the future looks bleak for the United States Postal Service. In a bid to dig itself out of a \$10bn deficit, the USPS is considering cutting 120,000 jobs and shutting more than 3,500 post offices. Evan Kalish, a 25-year-old graduate student, is trying to visit as many as possible before they disappear. So far he has collected post marks at more than 2,700 post offices across the US. Crisscrossing the country, even going as far as Hawaii, Evan is chronicling the slow death of an institution originally founded in 1775. In this first person account, he explains why he began this odyssey.


December 18, 2011


 [Fayetteville Observer](#): We'd like to tell the Postal Service the check's in the mail. It's not. What's stuffed in the envelope is a partially filled-out death certificate. And the aggravating thing is that Congress has started filling out the form and the Postal Service itself is trying to finish it.

 [PIWorld](#): Despite some optimistic signs for the magazine and catalog printing segments in 2011, economic and industry uncertainty, multi-channel integration, postal increases and increased supply chain costs were issues that still lingered from 2010. A key focus for publishers and catalogers was how to continue to leverage their multi-channel marketing strategies. Publishers accelerated development of, and investment in, publishing processes and technologies to extend their reach to mobile, e-reader and other 'third screen' devices.


December 17, 2011


 [Ad Age Digital](#): Media departments and the work they produce tend to be organized around channels -- in other words, around what the media is. The move to platforms changes the entire notion of digital media planning. In this new environment the specific media channel is less important than the skillset of the person using the platform.


 [PRNewswire](#): The Postal Service and two of its major unions have agreed to extend separate labor contract negotiations until Jan. 20, 2012. Contracts with the National Association of Letter Carriers, AFL-CIO (NALC) and the National Postal Mail Handlers Union, AFL-CIO (NPMHU) expired at midnight Sun., Nov. 20, 2011. The extension will allow the parties to continue to work on the important economic, health care, workplace and other contractual issues being discussed.


 [New York Times](#): The huge volume of goods handled by FedEx makes its shipping trends a bellwether of consumer demand and the economic climate. The value of packages that it handles in its trucks and planes is equivalent to about 4 percent of the United States' gross domestic product and 1.5 percent of global G.D.P. FedEx and U.P.S. are among transportation companies that have been able to pass through higher rates to customers, despite an uneven economic recovery.

December 16, 2011

 [National Association of Postmasters of the US](#): Today, Senator Daniel Akaka (D) introduced legislation that would help the Postal Service save money and innovate. (The Senate Clerk has yet to assign a bill number to the legislation.) Provisions included in the bill may be offered as amendments to the Committee-passed bill, S. 1789, when the the legislation is considered next year. Senate Majority Leader Harry Reid has indicated that postal relief legislation is a high priority and will be taken up in early 2012. One of the provisions included in the Akaka bill should be of special interest to Postmasters. The provision would clarify that existing law precludes the Postal Service from making changes to Postmaster benefits outside of the legally prescribed "pay talks", which can only occur within a specific timetable. NAPUS has worked with Senator Akaka on this language, because, in the past, the USPS has sought to circumvent established law by seeking to reduce earned benefits outside of pay talks. The Akaka legislation would also eliminate the requirement that the USPS pre-fund retiree health health benefits, and authorize the agency to invest the more than \$40 billion existing Postal Retiree Health Trust Fund balance in higher-yielding securities than currently invested. It would also set the funding goal at 80% of the total liability.


 [Saturday Nation](#): Postal services in most parts of the country were on Friday paralysed after workers boycotted work to push for better pay. However, the Postal Corporation of Kenya management termed the strike illegal, with the Postmaster General Maj Gen (Rtd) Hussein Ali, warning those participating as 'doing so at their own risk'.

 [Indiana Public Media](#): Speaking on WFIU's Noon Edition today, Bloomington American Postal Workers Union President Tim Fuller says he is disappointed with the lack of action from congressional leaders, which has hurt the postal service's fight for survival. "The congressman in Indiana are either silent or silent and against us," he says. IU assistant professor Lisa Bingham has done extensive research on conflict resolution in the Postal Service. She says congressmen and taxpayers owe it to the postal service to help find a solution.

 [Post & Parcel](#): Swiss Post has said prices for its basic letters and domestic parcels will remain unchanged in 2012, but will be making rate changes for some of its other mail services. Switzerland's postal service said yesterday that it will be continuing the price for its A and B Mail standard letters that has been in place since 2004.

 *At the Postal Regulatory Commission:*

- [Letter from PRC Chairman Ruth Goldway to the USPS](#)
- [USPS reponse to the Goldway letter](#)

 [Knight Center for Journalism in the Americas](#): Most printed newspapers in the United States will last only another five years, says a new report from the USC Annenberg Center for the Digital Future, reported LA Weekly. Released Wednesday, Dec. 14, the report, "Is America at a Digital Turning Point?," looks at 10 years worth of studies from the Center for the Digital Future. According to the report, only the very largest and very smallest newspapers stand a chance: "It's likely that only four major daily newspapers will continue in print form: The New York Times, USA Today, the Washington Post, and the Wall Street Journal. At the other extreme, local weekly newspapers may still survive." In response, journalism and media blogger John Robinson wrote, "Wanna bet?," calculating that printed newspapers have "another 10 years, at least."




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


- The U.S. Postal Service, in response to a request made by multiple U.S. Senators, has agreed to delay the closing or consolidation of any Post Office or mail processing facility until May 15, 2012. Several members of Congress have commented on the USPS' announcement.
- In an article published in Politico by Senators Joe Lieberman, Susan Collins, Tom Carper, and Scott Brown, they said "our bill would fundamentally reform the Postal Service in several ways."
- The U. S. Postal Service on December 15, 2011, published in the Federal Register its proposed rules outlining changes to service standards in support of its network optimization plans. Although the USPS acknowledged that the majority of those commenting on its advance notice were opposed to the proposed changes, it said it plans to continue pursuing the proposal with some modifications which it laid out in its proposed rules. Comments on the proposed changes are due to the USPS by February 13, 2012.
- The USPS has posted its FY 2012 service performance targets for market-dominant products on its web site. It may not come as a surprise to many that the USPS' FY 2012 service performance targets are the same as its FY 2011 performance targets for each category.
- Congressman Maurice Hinchey has joined several of his U.S. House colleagues in introducing the Postal Service Protection Act - legislation designed to alleviate the U.S. Postal Service's (USPS) immediate financial crisis and prevent the layoff of thousands of USPS employees nationwide.
- The U. S. Postal Service has published its 40-page 2011 Annual Report to Congress and Comprehensive Statement on Postal Operations. For 2011, the USPS has combined two reports it previously published separately – its Annual Report, and its Comprehensive Statement on Postal Operations. The revised publication focuses on the USPS' core business strategies, financial summary, operating statistics and key initiatives. While the revised version provides a streamlined and concise report, it lacks the information and detail that many have come to expect from the USPS annual operations report. PostCom's review of the publication provides the highlights.
- In a letter to members of Congress, Ruth Goldway, PRC Chairman said, "given that constituents may have questions about the process, or a specific closing or consolidation in their community, I wanted to make you aware of the Commission's role."
- According to the Courier, Express and Postal Observer, "currently Postal Service employees are offered the same benefits that all other federal employees receive. While the employee's share of premiums may differ, Postal employees just like Federal employees every year chose from a wide range of health benefit options including plans offered by all four postal unions. This will soon change."
- According to Courier, Express and Postal Observer, "the delay may increase the Postal Service's costs this year by between \$150 and \$450 million. The size of the cost impact depends on how long the delay really is as well as the proportion of total number of plants that the Postal Service planned to close that it planned to close in March or April."
- USPS mailing changes won't impact most mailers. PMG and Postmaster org president agree to re-open pay talks. Email isn't killing the post office. Give Postal Service time to re-invest. Email inventor: use technology to overhaul USPS. National Postal Museum opens "system at work" exhibit. Outbox wants to revolutionize USPS. USPS to simplify pricing policy that offers 7,600 domestic options. PostCom welcomes its newest member
- Updates from the Domestic Mail Manual
- 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.





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 [Courier, Express, and Postal Observer](#): "Ross Says Firing PMG May Have To Be First Step."


 **DMM Advisory: PostalOne!® Release 29.0 Deployment** – PostalOne!® Release 29.0 will go live on Sunday January 8, 2012. This deployment will require a maintenance window that extends beyond the normal window of 4 a.m. to 8 a.m. CDT. The exact outage times will be communicated as soon as finalized, no later than December 23, 2011.


 **Montreal Gazette:** The digital explosion has lessened the relevance of postal service in people's lives. Skype, text messaging, online bill payments, e-cards and online advertising have curtailed consumers' reliance on Canada Post. But for many companies, snail mail remains crucial. Although the world of communications is undergoing a drastic digital change, an affordable Canadian postal system is essential for the survival of many Canadian businesses, particularly small entrepreneurs, a clutch of local business owners say.


 **Wall Street Journal:** FedEx Corp. said Thursday that demand for air-cargo services from Asia is still being hit by companies running down inventory, leading it to park some planes and delay the arrival of others that fly goods nonstop to the U.S. The world's largest air-cargo carrier by traffic also outlined plans to upgrade other parts of its aircraft fleet and reaffirmed fiscal 2012 guidance after reporting a 76% rise in fiscal-second-quarter profit that surpassed Wall Street expectations. Results for the quarter ended Nov. 30 were led by volume and pricing gains at FedEx's ground division, while volume slumped 3% and 4%, respectively, in the company's international priority express and U.S. domestic express shipping operations.

 **Courier, Express, and Postal Observer:** Most of the news about the Postal Service focuses on service changes that it wants to make that will reduce its workforce. These includes, initiatives to downsize the retail and mail processing networks, eliminate Saturday delivery, cut First Class Service standards, and intensify route optimization of city carriers. The impact of these changes on employees is clear and most employees understand that if these actions are implemented, the reduction in the workforce will happen relatively quickly. Even with all of the proposed changes, the majority of people currently working at the Postal Service today will still be working there in 2015. Most probably plan to continue to work well past then until their normal retirement. What these employees don't know is whether the Postal Service will be in a position to continue to offer the pay and benefits they now receive at the same level over the rest of their career.


 **Federal Times:** Despite the five-month freeze on mail processing plant closings announced this week, the U.S. Postal Service is pursuing the change in first-class mail delivery standards tied to that proposed downsizing.


 **Cato@Liberty:** Last week, the U.S. Postal Service filed a plan with its regulator to close half of its mail processing facilities and reduce delivery standards in order to reduce costs. I called the move a message to Congress because "the USPS is running on financial fumes and Congress is still trying to figure out how to kick the can down the road." This week, the USPS said that it's delaying the closure of mail processing facilities and post offices by a few more weeks in order to give Congress more time to come up with "comprehensive postal legislation." According to the press release, the delay comes "in response to a request made by multiple U.S. Senators."

 **BusinessWire:** Citizens Against Government Waste slammed Congress for once again meddling in the United States Postal Service's (USPS) management decisions and delaying the closures of 3,700 post offices and 250 mail processing facilities across the country. Twenty Democratic senators co-signed a letter to the Senate leadership asking that the closures be delayed. The letter reads, in part, "While we may have very different views on how to financially improve the postal service, we all believe that democratically elected members of the Senate and the House have the responsibility to make significant changes to the postal service. Unfortunately, we are concerned that the postal service may preempt Congress on this matter by closing or consolidating nearly 3,700 mostly rural post offices, over 250 mail processing facilities, and eliminating overnight delivery for first class mail before postal reform legislation is enacted." "The senators' letter is disingenuous and self-serving," said CAGW President Tom Schatz. "Members of Congress have sat on their hands for years on postal reform, fiddling while USPS finances were going down in flames. On the eve of fiscal ruin, as the USPS is finally going forward with some reasonable reforms on its own, these 20 senators have again interfered in the management of the Postal Service's operations. Now, a costly bailout is not only more likely, it is inevitable."

 **CBC**: The union for postal workers in Nova Scotia says Canada Post's new delivery system has resulted in longer hours, more injuries and stress for their letter carriers.

 **Post & Parcel**: Swiss Post Solutions, the business services division of the Swiss postal service, has expanded its presence in the Asian market by opening a new office in Singapore.


 **The Hill**: The U.S. Postal Service would see a required prepayment for retiree health care pushed back until August under the government spending measure that could soon be considered by Congress. But a spokesman for the struggling agency reiterated on Thursday that **USPS will not be able to pay its \$5.5 billion health care bill, even if it is pushed back to Aug. 1.**


 **Lexington Institute**: The Lexington Institute has published its latest [Postal Trend Watch](#)


 **From the PostCom Mailbag**: An inquiring mind wants to know:

"How can the USPS claim that First-Class Mail volume and revenues are killing them when their own numbers in 201-11 show that they lost 5.5 Billion dollars, but only 2 Billion was attributed to First-Class Mail and they reported INCREASES in other revenues? This question is about Revenue, not contribution (i.e. not eBITA). Where is the "other" 63.63% of the loss coming from?"
[EdNote: Anyone who has an answer . . . feel free to pass it on.]


December 15, 2011


	PostCom welcomes its newest member: Toshiba International Corporation, 3190 Fairview Park Drive, Suite 500, Falls Church, VA 22042-4549 represented by: Michael E. Brigham, Director of Business Development
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 **PostCom Members!! The latest [PostCom Special Report on Mail Service Performance](#) is available for your review. 20 pages and lots of charts! What? Not a member of PostCom? What a pity! But [you can change that](#).**


 **Agenzia Giornalistica Italia**: The Antitrust has issued a statement reporting that it has fined the Postal Service 39,377,489 euro for "having abused its excessively dominant position with the objective of opposing the development of a free service with "a specific delivery date and time" and using notifying services." The decision was taken at the end of a report following charges brought by TNT, which resulted in the identification of behavior addressed at excluding competitors and weakening competition. The Postal Service has been warned it must immediately refrain from such behaviour and send a report within 3 months stating what measures have been adopted in this sense."


[Responding to sanctions](#) imposed by the Anti-Trust Regulator for abuse of its dominant position in the market, the Italian postal system released a note saying it "maintains that it has always respected the rules of competitiveness and the market place and for this has sent the action to its lawyers to appeal to the Regional Administrative Court against the Anti-Trust Regulator and make their arguments before the judge."


 **Pueblo Chieftain**: The United Parcel Service is going green this holiday season. The package delivery company known for its brown trucks and uniforms recently added bicycles to its fleet in an effort to save on fuel, promote employee wellness and provide more efficiency during the peak season.


 **KSDK**: If you still need to finish your holiday shopping, you may want to wait until Friday. December 16 is Free Shipping Day for more than 2,000 retailers. Besides Black Friday or Cyber Monday, it is the third biggest shopping day of the year. The retailers are waiving shipping fees and guaranteeing the goods will make it to your doorstep by Christmas Eve. A complete list of participants is on the Free Shipping website.


 [Independent Online](#): When it comes to going green and cutting carbon emissions, the international postal business has it sorted. And the SA Post Office, which has also been delivering on environmental issues and leading the way in Africa, is further committed to an international industry programme to reduce the postal organisations' global footprint by 20 percent by 2020. In two years that target has already hit 11 percent. That represents a whopping saving of \$412.85 million (R3.3 billion).

 [DutchNews](#): The economic affairs ministry is set to allow the Dutch postal service PostNL to scrap Monday deliveries, the Telegraaf reports on Thursday. Junior minister Henk Bleker says the move is necessary because of the increase in email and the fact that few letters are delivered on Monday anyway, the paper states. PostNL would have to put up the price of stamps sharply to make a continuing six-day delivery requirement profitable, the minister says. The former state-owned monopoly is currently reorganising its delivery services following the start of cheap competition from budget delivery firms who focus on mass mailings and pay their workers per item delivered rather than a fixed salary.

 [KNOX News](#): U.S. Rep. John J. Duncan Jr. thinks there may come a day when mail trucks drive around town with advertisements plastered on their sides. Shoppers one day may be able to buy stamps or mail packages at kiosks in big-box stores like Wal-Mart. Those are the kind of money-making ventures the U.S. Postal Service may have to consider if the cash-strapped agency is going to stay in business, the Knoxville Republican said.

 [Tucson Citizen](#): In some ways, the situation facing the U.S. Postal Service reflects what already has happened to music stores, DVD-rental outlets and bookstores. As with these retailers' products, the Internet revolution makes the U.S. mail less essential. E-mail, online bill paying and digital advertising have dramatically reduced the amount of mail the agency handles, cutting its annual revenue. Now, business users, responsible for many of the innovations that have made the mail system less relevant, will feel the direct impact of their efforts to create faster, cheaper communications. And it has some of them worried.

 [Bluefield Daily Telegraph](#): Despite the U.S. Postal Service's announcement of a moratorium on postal facility and office closures, questions still linger about whether or not the Bluefield Mail Processing and Distribution Center will be given a six-month reprieve or closed as scheduled. U.S. Rep. Nick Rahall, D-W.Va., said Wednesday postal officials have been "vague" with him about whether they intend to extend the six-month reprieve to the Bluefield facility.

 [The Atlantic](#): The Postal Service is a giant delivery machine. It bridges the physical and digital using any combination of humans and robots that works. The USPS delivers half the world's mail -- that's 563 million pieces each and every day of 2010. Think of all the problems that the USPS has had to solve to become and remain this massive country's only completely inclusive point-to-point network. This history is highlighted by a new exhibit at the National Postal Museum, Systems at Work. Despite these successes, there have been some hard times for the Postal Service. The baseline trend has shifted beneath the Postal Service, and like many 20th-century institutions, it has to shift its top priority from speed to resilience. I think the new challenge won't be to deliver mail as quickly as possible, but to preserve the core network of infrastructure necessary to be able to deliver mail to any address. And this time around, more machines and computers won't be the answer.

 [DMM Advisory](#):

- **November – December MailPro Available** The November – December MailPro [\[HTML\]](#) [\[PDF\]](#) is available now on about.usps.com/mailpro. You'll find informative articles on the financial situation of the Postal Service™, Every Door Direct Mail, an announcement of the January 2012 Mailing Services and Shipping Services price change, the USPS iPhone app, and more. Customers can access current and past issues of MailPro online or subscribe by sending an e-mail to mncsc@usps.com. Include your name, title, company name, complete delivery address, and daytime phone number.
- **January 22 Mailing Services and Shipping Services Price Change Update — Plant-Verified Drop Shipment.** As a reminder, Mailing Services and Shipping Services prices will change on January 22, 2012. Relative to that change, plant-verified drop shipment (PVDS) mailings will be verified and accepted as follows:

Current Prices — PVDS mailings verified and paid for before January 22, 2012, using the current prices, will be accepted at destination entry postal facilities through February 5, 2012, when presented with appropriate verification and payment documentation.

New Prices — PVDS mailings may be verified and paid for beginning January 8, 2012, using the new prices, provided the shipments are not deposited at destination entry postal facilities until January 22, 2012, or later, when presented with appropriate verification and payment documentation.

- For mailings with electronic documentation, mailers must enter a Mail Arrival Date that is on or after January 22, 2012.
- For mailings with hard copy postage statements, USPS acceptance employees must enter a Mail Arrival Date that is on or after January 22, 2012.


There will be a future DMM Advisory on the postage statement exception process.



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


- [Postal Service-Operated Retail Facilities Discontinuance Program \(Report Number EN-AR-12-002\)](#). Our report determined the Postal Service could benefit from an integrated retail network optimization strategy. While the Postal Service has implemented new regulations, policies, and procedures, and the Retail Access Optimization Initiative, it is unclear what effect they will have and when. Management plans to expand alternate channel access to reduce the retail infrastructure, but did not establish specific goals for closing and consolidation initiatives because they must consider each facility's discontinuance study individually. Also, we found the top-down criteria used to select the offices could benefit from objective integrated economic modeling.
- [Postal Service Pricing Strategy \(Report Number CI-AR-12-002\)](#). Our report found the Postal Service has over 7,600 domestic prices for the three product lines and almost 50 percent of them contain low to no mail volume. In addition, the volume and revenue data used to support product pricing is approximately 140 days old and, by comparison, its domestic competition has easily available real-time product data. Management is currently reviewing its costing systems and revenue and volume reporting procedures and plans to optimize pricing.

 [At the Postal Regulatory Commission: "U.S. Postal Service Comprehensive Statement of Operations."](#)

 [PRNewswire](#): A review of the performance of universal postal service providers (USPs) in the G20 group of world's wealthiest nations, published today by Oxford Strategic Consulting (OSC), has found that the United States Postal Service (USPS) achieved the best overall ranking among operators


 [Winnipeg Free Press](#): A British consulting firm says Canada Post has made it into the Top 10 postal services in the G20. Oxford Strategic Consulting says Canada Post takes the No. 8 spot in its ranking of postal services in the G20 countries. The ranking is based on postal service providers' performance over the three years from 2008-10 looking at access to services, efficiency and performance. The U.S. Postal Service took the No. 1 spot, followed by Japan Post, Australia Post and Korea Post.


 [From the Federal Register: Postal Service PROPOSED RULES Service Standards for Market-Dominant Mail Products , 77942–77950 \[2011–32009\] \[TEXT\] \[PDF\]](#)


 [Cape Cod Online](#): according to my limited survey in front of the Cape's busiest post office, it was about 2 to 1 in favor of — not just eliminating one day of postal service — but dumping it all together. When I asked one gentlemen walking swiftly out the front door if he thought the federal mail system — first established by the Second


Continental Congress and then later enshrined in the Constitution — was outdated, he grumbled: "In a word, yes. Privatize it." Another woman said: "They could close it today for all I care." Only one person I spoke to seemed to have a sense of the historic rationale for the post office, as opposed to the media-induced distortion in which all institutions are evaluated strictly in profit-making terms, even if they were never intended to be. "Younger people may use the Internet but lots of seniors don't," said Linda Hill of Hyannis. Unwittingly, perhaps, Hill was getting at something the Constitution's framers were thinking about. When the U.S. postal system was officially federalized in 1792, James Madison said it was one of "the surest means of preventing the degeneracy of a free people" because of the civic glue it provides.


December 14, 2011

 [The Baltic Course](#): Around 75% of the turnover of the national postal service Eesti Post comes from cities, where parcel delivery services are topping the most popular list.

 [The Republic](#): A U.S. senator says a five-month hold on closing any postal facilities is a win for Ohio consumers, business and workers. Ohio Democrat Sherrod Brown says in a statement that the delay until mid-May that was announced this week buys time to find a solution that will strengthen and not cripple the U.S. Postal Service.

 [Post & Parcel](#): The US Postal Service is set to simplify its pricing system from January, after the Inspector General found that it has more than 7,600 different prices for its domestic products alone. Along with international options, the USPS system could provide more than 10,000 different price options in all, according to a new audit. The Inspector General found that almost half of the prices offered by the Postal Service related to "low to no mail volume" in 2010, with 31% of the price options not being used at all. In response, USPS said it was bringing in simplified prices for some of its products in the New Year, including a single price for presorted First Class Mail up to two ounces in weight. US commercial mail customers are currently forced to wade through a 1,700-page Domestic Mail Manual to do business with the Postal Service, the Inspector General said. Such are the complexities of the system, most major mailers are forced to use software to calculate their postage.

 [Inc.](#): Co-founder Evan Baehr is one of several new entrepreneurs that may make you less dependent on the U.S. Postal Service. As the U.S. Postal Service announced a controversial plan to make snail mail even slower (first class would take two to three days instead of one), several start-ups are looking to make getting mail easier—and faster. One of them, Austin-based Outbox has received \$2.2 million in funding. The weeks-old company, which was founded in October by Evan Baehr and William Davis, two 2011 Harvard Business School graduates, plans to digitize postal mail and deliver it to your tablet. The service would be free, with mail opened, scanned, and stored in a digital mailbox users could then tag, search and archive. They're trying to work out a plan with the post office where mail would be delivered direct to Outbox, instead of users needing to forward it.

 [Salisbury Post](#): Congress should first of all move to bring the postal service back to solvency. To do that, it may have to rescind some of the institution's independence and be ready to permanently subsidize its annual budget. Obviously, that requires a determination that it is worth saving and a requirement that its operations are closely overseen by a committee that puts aside partisanship. Both are a tall order in today's Capitol Hill atmosphere.


Letting it succumb might be easier even if it is a long death rattle.





Smithsonian
National Postal Museum


[National Postal Museum](#): A letter is dropped into a mailbox. How does it go from there to its destination? The answer to that and other questions unfolds in "Systems at Work," a new permanent exhibit opening today at the Smithsonian's National Postal Museum. The exhibit recreates the paths of letters, magazines, parcels and other pieces of mail as they have traveled from sender to recipient over the past 200 years. In 1808, a stagecoach carries newspapers and the latest news to people hundreds of miles away. Two hundred years later, the integration of ZIP codes, barcodes, intelligent mail, automated sorting machines and advanced technologies enable the U.S. Postal Service to process and deliver mail to 150 million homes and businesses across the country. At the exhibit's core is a 270-degree high-resolution film experience that puts visitors into the middle of the mammoth world of a mail-processing center, surrounded by examples of automated machinery that moves mail through the system at astonishing speeds. Interactive moments are spread through the galleries challenging visitors to process mail at various points in history.


Tossing packages into mail pouches as mail clerks did in 1917, keying letters on a computerized version of a multiple position letter-sorting machine operated in 1968 and engaging handheld intelligent mail devices to scan barcodes are activities that will inform, educate, enlighten and challenge exhibit visitors. Visitors receive a postcard to gather cancellation marks from various eras to take away from the exhibit.


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


 Deutsche Post and the EU Commission are still in quarrel over alleged crosssubsidies.


 Portugal's cabinet finally laid down the new postal law last week. Thereby the country implemented the EU postal directive almost a year late. The new law will provide the legal means 'to completely liberalise the postal market'.


 Deutsche Post DHL has a 'problem' most countries would love to have. Due to the good business development Deutsche Post would be 'in the position to have a surplus of cash in the medium term', CFO Larry Rosen told »Financial Times Germany« (12.12). Should this development continue, Deutsche Post's current rating of BBB+ (Standard & Poor's) could improve. On the one hand this would enable Deutsche Post to get lower interest rates. On the other hand the company would be required to maintain this surplus to avoid being downgraded. As a consequence Deutsche Post's spending power would be weakened and less investments could be made. For this reason Rosen plans to pay an extra dividend to Deutsche Post's shareholders.


 The business model of the distributors of unaddressed advertising mail items in Germany could falter. A current decision by the district court of Lüneburg could have a huge impact on the industry. According to the verdict, Deutsche Post may not deliver the leaflets if a recipient advised via e-mail that he doesn't want to receive the advertisement. This even applies if the recipient has no 'no junk mail' sticker on his private PO box. In the event of non-compliance a fine of up to 250,000 euros can be imposed on Deutsche Post. The verdict could have a massive impact on the whole direct marketing business.


 Given the rapidly growing international parcel volume Posten Norge wants to increase the threshold under which parcels can be shipped with simplified customs procedures. A spokesman of the post confirmed to business portal »e24« (04.12) that this year more than 600,000 parcels are shipped to private households under simplified customs declaration - compared to 230,000 five years ago.


 German union ver.di wants to push through a considerable pay rise for the some 130,000 employees of Deutsche Post's MAIL unit. On Friday the union announced that the bargaining committee decided to set up a 7% wage increase for the negotiations which started on December 12. Additionally, the union demanded a monthly pay rise of 75 euros for apprentices.


 TNT Express withdraws from the domestic Indian market.

 2012 could become a difficult year for air freight operators. The IATA (International Air Transportation Association) basically expects air-cargo volume to stagnate next year.


 New Zealand's franchise parcel and courier network Fastway Couriers withdraws from the German market. According to business journal »dvz« (09.12) the company's headquarters have cancelled all contracts with all partners in Germany, effective from December 31 this year. In April 2010 Fastway Couriers Germany GmbH filed for bankruptcy.

 Despite the debt crisis in Europe and elsewhere Deutsche Post doesn't see any reason for economic gloom. In an interview with business journal »Börsenzeitung« (09.12), CFO Larry Rosen said that the economy in Europe will grow by 0% to 1% and by 2% to 3% in the USA. He further added, 'in Asia and Latin America we expect a high single digit growth rate in 2012. We thus expect the worldwide GDP to increase by 3% to 3.5%'.

 People living in the 4th district of Paris can now interact with the district's mailboxes with the help of their smartphones. Using 'Near Field Communication' technology, information like the time of collection, nearby post offices and other sale points for stamps and their opening hours can be obtained from the so called Smart Mailboxes. Additionally, neighbouring retailers and service providers can place advertisements.


 EMS Garantpost, Russia Post's express service, now started to operate parcel terminals. In line with the meanwhile common industry standard addressees receive a SMS, after their parcel has


been placed in the terminal. For the time being EMS launched a pilot test with machines in Moscow and St. Petersburg.


 Deutsche Post's pricing for domestic letters will remain stable in 2012. Last week the Federal Network Agency announced the approval of an according request from the post. Thus, standard letters will cost 55 cent for the tenth consecutive year.



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.)*


 [Wall Street Journal](#): Sen. Dick Durbin (D., Ill.), the number-two Democrat in the Senate, said postal legislation will be a top priority of Congress early next year. Rep. Darrell Issa (R., Calif.), who has proposed postal legislation in the House, said the agreement with the senators shows that the postmaster "caved to political pressure." "This delay hastens the crisis that is bringing USPS to the brink of collapse," Mr. Issa said in statement.


 [4-Traders](#): Correos, the Spanish national postal service, has ordered cloud-based SAP services from T-Systems. The four-year contract has a volume of around EUR 41 million. The Deutsche Telekom subsidiary is taking on the hosting, operation and ongoing modernization of the SAP applications, with the aim of harmonizing and consolidating the company systems of Correos. By transferring its SAP operations to the Cloud, Correos can keep adjusting its services in line with current business developments, only paying for what it actually requires.

 [Azerbaijan Business Center](#): Today in Baku Deputy General Director of Azerpocht Subhan Kazimov has reported that within limited license for financial services' provision the company provides all relevant services to the population. "Despite this we are not going to change our status and will remain national postal operator. We provide only some banking services and are not ready for rendering credit and deposit services. The reason is that we have not got enough turnover to provide these services",- S. Kazimov said. In his words Azerpocht is presently providing financial services to over 100 companies.

 [From the Federal Register: Postal Regulatory Commission NOTICES](#) International Mail Price Change for Inbound Air Parcel Post , 77856-77857 [2011-32046] [[TEXT](#)] [[PDF](#)]

December 13, 2011

 [From the USPS Industry Liaison](#): An agreement was made earlier today between the US Postal Service and multiple U.S. Senators to delay the closing of post offices and mail processing facilities until May 15, 2012. Please be aware that while facility closings will be delayed, the Postal Service will continue with all of the efforts necessary to fully review facilities previously announced as part of our study. As part of this review, we intend to continue to conduct both industry outreach meetings and public meetings. In addition, the Postal Service intends to continue with the rulemaking process and to participate in the service change proceedings before the PRC. It is premature to speculate on what we will do or when we will implement any changes to our service standards until these processes have unfolded.

 [Sen. Tom Carper](#) (D-Del.), Chairman of the subcommittee that oversees the U.S. Postal Service, released the following statement on the Postal Service's decision to delay closing or consolidation of post offices and mail processing facilities:

"Ensuring that the U.S. Postal Service has the tools and resources it needs to survive and thrive in the 21st century is a top priority for all of us in Congress, and I welcome my colleagues' interest in addressing the Postal Service's financial crisis as soon as possible. Over the past year, I have worked tirelessly with Senators Lieberman (ID-CT), Collins (R-ME), and Brown (R-MA), Postal management, employees, customers and my colleagues to develop a comprehensive and effective Postal reform bill. But while we worked – and continue to work – the Postal Service's financial challenges grow worse with every passing day. In order to address those challenges, the Postal Service has moved forward with individual cost-saving measures in order to keep it afloat until Congress can approve comprehensive reform legislation. Many of my colleagues have very reasonable concerns with the Postal Service moving forward with these measures at a time when Congress is moving closer to providing the Postal Service a financial lifeline. This agreement appears to address those concerns.


"The bipartisan postal bill that I co-authored – the 21st Century Postal Service Act -- contains real, permanent reform that can save this American institution and help it thrive in these challenging times. It would address concerns about the impact of closing post offices by requiring a new service standard that ensures fairness and accessibility to postal services. Once passed, the bipartisan bill would suspend all post office closings until these standards are in place. It would also set out new procedures for closing mail processing facilities that seek to improve transparency and ensure that community concerns are heard. The point of these provisions is not to protect any particular postal facility, but rather to put in place processes that are both fair and equitable while giving the Postal Service the flexibility it needs. That said, this moratorium must be temporary. In addition, it's imperative that the Postal Service continue in the coming months to move forward with the studies and community meetings that must occur before a facility closes so that it can be ready to act at the appropriate time. It would be irresponsible for Congress to permanently take away or curtail authority the Postal Service has had for more than 30 years to make operational decisions. It would be equally irresponsible to give those customers and employees who oppose specific facilities being closed the false hope that tough decisions by the Postal Service to downsize its operations that are likely inevitable can be avoided forever.


"Moving forward, I hope that the agreement announced today between the Postal Service and our Senate colleagues can be a constructive step in Congress's efforts to improve the Postal Service's facility closing process and update the Postal Service operations and business model in general in response to the 21st century challenges it faces."




[Reps. Issa & Ross:](#)


"Once again, the Postmaster General has caved to political pressure. Postal losses now total over one billion dollars per month. This delay hastens the crisis that is bringing USPS to the brink of collapse and raises serious questions as to whether current postal leadership is up to the job. Despite its denials, it is very clear that the Postal Service wants a bailout that will cost taxpayers tens of billions of dollars. To avert this outcome, we must pass comprehensive legislation that precludes political interference by self-serving postal unions, special interest groups, and members of Congress."


 [Post Tribune:](#) A small and shrinking percentage of the population does not have access to USPS alternatives. Surely there should be a discussion of better ways to serve that group than with the massive and expensive system now in place. A reorganized, slimmed-down USPS would be one option, as would letting out bids to private contractors. Just letting the agency go should be on the table, too. Private carriers offer comparable rates for package delivery; why suppose they couldn't handle letters and other mail just as well?


 [Multichannel Merchant:](#) Recent changes announced by the U.S. Postal Service won't impact mailers in a dramatic fashion according to Larry Davis, vice president of marketing for gifts merchant Ross-Simons. "The impact on most mailers of a slight expansion in delivery times will be negligible," Davis says. "We just need to prepare our mail a day or two earlier. Some mailers with time-sensitive products may have to pay for expedited service, but if that's


where the costs are, then the user should bear the cost of speedy delivery. But we all have to recognize that if the USPS doubles our postage rates to pay for antiquated expectations, the effect will be catastrophic: There will be no USPS."


 [International Business Times](#): It's not too late to save the U.S. Postal Service, the inventor of e-mail told International Business Times. The solution: use the 50,000 people scheduled to be fired next year and transform the U.S. mail into U.S. e-mail for small- and medium-sized business. "The postal service is an integral part of democracy," V. A. Shiva, who holds the U.S. copyright for e-mail, told IBTimes. "It has a trust among the masses that ensures freedom." Rather than fire people, close down half the nation's 461 mail processing centers, end Saturday delivery and raise postage rates next year, Shiva said the USPS could retrain most employees for the 21st century, handling e-mail, scanning and processing documents and doing things they already know. The companies and the USPS already own much of the necessary tools, he added.


 [Washington Post](#): Your neighborhood post office slated for closure might be saved — at least for now. The U.S. Postal Service said Tuesday it will delay the closure or consolidation of thousands of post offices across the country in response to requests from lawmakers who said the process should be stopped while Congress debates legislation to overhaul the cash-strapped mail agency. No post office or mail processing facility will be closed or merged with nearby locations until May 15 at the earliest, but officials plan to continue reviewing the fates of thousands of locations in the coming months in hopes of resuming the closures after Congress passes postal reform legislation, officials said.


 [NALC e-Activist Network](#): As the House of Representatives prepares for a final vote on the payroll tax holiday extension later today, the Republican majority has once again turned to federal employees to foot the bill for it. NALC has weighed in over and over with Congress on the inappropriateness of treating federal workers as the cash cow or "pay-for" for programs that most Americans are able to enjoy. NALC fully supports the extension of the payroll tax holiday while the economy continues to struggle, but certainly not on the backs of the federal workforce.


 [Rep. Maurice Hinchey](#): Congressman Maurice Hinchey has joined several of his U.S. House colleagues in introducing the Postal Service Protection Act - legislation designed to alleviate the U.S. Postal Service's (USPS) immediate financial crisis and prevent the layoff of thousands of USPS employees nationwide. "The Postal Service is considering laying off nearly 25,000 workers, eliminating the Saturday delivery of mail and increasing the time it takes to receive a letter from two to three days," said Hinchey. "These are changes that would have a negative effect on our economy, and Congress needs to take action now to alleviate the financial crisis the Postal Service faces. The Postal Service Protection Act would accomplish that goal."


 [FedSmith](#): As Congress considers legislation to reform the business model of the Postal Service, it must confront a basic choice: to permit the Postal Service to function more as a business does, or constrain it from doing so.


 [Courier, Express, and Postal Observer](#): Right now the Postal Stakeholders, the Obama administration and Congress are focused on the here and now. Mailers are railing against an above inflation rate increase in January of 2013. Union members are demonstrating trying to stop cutbacks in service that mean rapid reductions in jobs. The Obama administration proposes legislation that gets the Postal Service through the next two years without impacting the Federal Budget. Congress has written legislation that prevents any impact on the budget in the near term with the minimal amount of changes that could raise constituent ire prior to the 2012 election. No one is thinking long term. Unless someone starts, it is unclear if the Postal Service will have the capability to provide a level of universal service that meet the needs of Americans in 2015 and beyond.


 [Courier, Express, and Postal Observer](#): Currently Postal Service employees are offered the same benefits that all other federal employees receive. While the employee's share of premiums may differ, Postal employees just like Federal employees every year chose from a wide range of health benefit options including plans offered by all four postal unions. This will soon change. For at least five months, Postmaster General Pat Donahoe has promoted moving the Postal Service out of the federal health benefit system. More recently, National Association of Letter Carrier President Frederic Rolando has stated that the NALC and the Postal Service are negotiating a new approach to health benefits.


 [Memphis Business Journal](#): When the U.S. Postal Service decides early next year which mail processing facilities it will close, many in the distribution, logistics and transportation industry will be watching. One of those interested observers will be FedEx Corp. The Memphis-based company has a multifaceted relationship with the largest postal operator in the world and changes to one will affect the other. "As a major customer of and supplier to the U.S. Postal Service, we support efforts to ensure that the Postal Service is able to successfully manage its business," said Maury Donahue, manager of regulatory and public affairs communications for FedEx. "FedEx has not taken a position on the various recent proposals. However, we have long advocated changes that would permit USPS to operate more like a business."


 [At the Postal Regulatory Commission: Docket No. MC2008-1](#): On January 14, 2010, the Commission issued Order No. 392 finding that certain activities related to the Postal Service's licensing of its brand in the commercial marketplace should be considered outside of the authority granted to the Postal Service under the Postal Accountability and Enhancement Act (PAEA). Specifically, that Order required the Postal Service "to terminate the nonpostal service of licensing the sale of USPS-branded mailing and shipping products at retail locations other than Postal Service facilities."¹ As a result of this Order, the Postal Service and LePage's 2000, Incorporated, filed Petitions for Review with the United States Court of Appeals for the District of Columbia Circuit seeking to reverse the Commission's required termination of such licenses.² The Court vacated the Commission's Order, and remanded the decision to the Commission for further proceedings consistent with the Court's opinion. The Postal Service respectfully requests that the Commission take prompt action to clarify its position consistent with the Court of Appeals' ruling. Such action is necessary so that the Postal Service may know and understand the constraints, if any, the Commission may now seek to impose on the Postal Service's commercial licensing program for mailing and shipping products.


 [Associated Press](#): The U.S. Postal Service has agreed to delay the closing of 252 mail processing centers and 3,700 local post offices until mid-May. The cash-strapped agency, which is forecast to lose a record \$14.1 billion next year, announced last week it was moving forward on cutbacks. It had planned to begin closing processing centers as early as April, and shutter some post offices early next year. A group of senators planned to announce the agreement Tuesday, according to two people familiar with the deal who spoke on condition of anonymity to avoid preempting the announcement.


 [Logistics Manager](#): DHL Supply Chain is launching a standardised warehouse management system from RedPrairie across its global operations, to improve accuracy and product availability. The systems will help DHL to design global supply chains and inventory holding systems with increased accuracy and reliability, which ultimately supports customers in improving their market position. RedPrairie is providing the warehouse management system and workforce management tools in addition to an existing global framework agreement between with DHL.

 [The Guardian](#): The USPS is the victim of an invented crisis. The 2006 Postal Enhancement and Accountability Act forced the postal service to unnecessarily prefund its retiree health benefits 75 years into the future at the rate of \$5.5bn a year over a ten-year span. Several competing bills are before Congress whose aim is to either save or essentially scrap the USPS.


 [New Europe](#): A Postal Users Forum aimed at sourcing feedback from consumers, businesses and e-retailers on the overall effects of the postal liberalisation in Europe took place in Brussels on 12 December. Organised by the European Commission, the forum's objective was to identify constructive ways to deliver better postal services to customers across the EU. More than 100 participants representing postal operators, regulators, ministries, unions, associations and other stakeholders attended the event chaired by the Internal Market and Services Commissioner Michel Barnier.

 [PRWire](#): In this modern age, the trusty and reliable post office is at risk of becoming obsolete, however Australian business owner Peter Harris has other ideas by sending traditional printed letters electronically. Docsaway is a PDF-based solution that is ideal for businesses wishing to automate or outsource the mailing of their paper-based documents from a number of locations throughout the world. It's printed letters - an old school form of communication - being sent in a faster, easier and in a more modern way.

 **NEXT:** The National Union of Postal and Telecommunication of Employees (NUPTE) has given the management of Nigeria Postal Service (NIPOST) a 21-day ultimatum to settle all outstanding salaries since 2007. The ultimatum, which commenced on Monday, is contained in a communiqué signed by Mr Sunday Alhassan and Mr Gregory Olatunji, President and General Secretary of the NUPTE respectively.

 **From the Federal Register: Postal Regulatory Commission NOTICES** Nationwide Change in Postal Delivery Service Standards , 77483–77485 [2011–31910] [[TEXT](#)] [[PDF](#)]

December 12, 2011

 **Government Executive:** The U.S. Postal Service hopes to receive another deferral this week from Congress on a multibillion-dollar payment to prefund retirees' health benefits. Congress expects to pass a measure soon to keep the government operating past Dec. 16, when the current stopgap funding bill expires. USPS, which lost \$5.1 billion in fiscal 2011, received a second reprieve from Congress in November on a \$5.5 billion payment to prefund retirees' health benefits. That deferral was part of a bill President Obama signed into law funding several departments and some smaller agencies for the remainder of fiscal 2012, and keeping others open through Dec. 16. The Postal Service's payment originally was due at the end of September and initially deferred in the continuing resolution to keep the government open through Nov. 18.

 **At the Postal Regulatory Commission: [Letter from the Chairman of the Postal Regulatory Commission to Members of Congress:](#)**

Dear Member of Congress: The U.S. Postal Service recently released a proposal to revise current service standards for First-Class Mail, Periodicals, Package Services and Standard Mail. The most significant revisions would eliminate overnight service for First-Class Mail and Periodicals, and would instead provide 2 and 3 day delivery service. The intent of these service standard changes is to capture significant cost savings from the consolidation of the Postal Service's mail processing and transportation networks. By law, the Postal Service is required to ask the Postal Regulatory Commission for an advisory opinion on any change in nationwide service it proposes. On December 5th, the Postal Service filed such a request, and the Commission opened Docket N2012-1 to examine the request. Given that constituents may have questions about the process, or a specific closing or consolidation in their community, I wanted to make you aware of the Commission's role. . . . [[more](#)]





The U.S. Postal Service Office of Inspector General invites you to comment on this week's "Pushing the Envelope" blog topic: **There's More Than One Way to Send a Holiday Card**. Millions of Americans send holiday greeting cards through the mail each year. Now there are many options for creating holiday greeting cards that save time and money. Not only do some Postal Service retail locations offer greeting cards, but you can also create and send greeting cards online or by using a smart phone. How will you send your holiday cards this year? Share your thoughts on our [blog](#). New Audit Projects: [LINK](#) here to visit our audit project pages. This week we opened the following new projects:


- **[FY 2012 Financial Statement Audit – Headquarters – 12BM005FT000](#)**. The Office of the Inspector General (OIG) audit supports an Independent Public Accountant's (IPA) opinion on the U.S. Postal Service financial statements. The IPA opinion complies with the Postal Reorganization Act of 1970 which requires annual financial statement audits. Corporate Finance maintains financial information for the Postal Service. The OIG will review accounting policies and procedures, the internal control structure, and will issue financial statement audit reports annually to the San Mateo Information Technology/Accounting Service Center, Corporate headquarters and the other two Accounting Service Centers in Eagan, MN and St. Louis, MO.
- **[Office of Board of Governors' Travel and Miscellaneous Expenses for Fiscal Year 2012. – 12BG011FT000](#)**. The Office of Inspector General (OIG) conducts the audit in response to a Board of Governors' (Board) resolution requiring annual audits of Board travel and miscellaneous expenses. The


objective of the audit is to determine whether the travel and miscellaneous expenses are properly supported, reasonable, and comply with Postal Service policies and procedures and Board policies. The Postal Reorganization Act of 1970, as amended established the Board to include the postmaster general, deputy postmaster general, and nine governors appointed by the president.


- [Postal Service's Officers' Travel and Representation Expenses for FY 2012 – 12BG010FT000](#). The Postal Reorganization Act of 1970, as amended, requires annual audits of the Postal Service's financial statements. As part of these audits, the Board of Governors adopted policies and procedures that require annual audits of officers' travel and representation expenses. A separate audit report is prepared for this review. Our audit objectives are to determine whether travel and representation expenses claimed by Postal Service officers are properly supported and comply with Postal Service policies and procedures.
- [FY 2012 Financial Statement Audit – St. Louis IT/ASC – 12BM004FT000](#). The audit will examine accounting transactions and general ledger account balances used to prepare the financial statements of the Postal Service for the FY beginning October 1, 2011, and ending September 30, 2012. The internal controls will also be evaluated as of the FY ended September 30, 2012. The audit will also include subsequent events that may materially affect the financial statements for the year then ended. The objectives of the audit are to determine whether: Financial accounting policies and procedures of the Postal Service provide for an adequate internal control structure {To ensure key controls are properly designed and operationally effective} and comply with accounting principles generally accepted in the U.S.; Accounting transactions impacting the general ledger account balances for assets, liabilities, equity, income, and expenses of the Postal Service are fairly stated in accordance with accounting principles generally accepted in the U.S.; General ledger account balances conform with the general classification of accounts of the Postal Service on a basis consistent with that of the previous year; and, the Postal Service complies with laws and regulations that have a material and direct effect on the financial statements as a whole.


 [CommerceBytes](#): Costing \$18.30 (retail) for a flat rate envelope, Express Mail is useful when overnight delivery of important papers or documents is required. Now the USPS is introducing Express Mail flat rate boxes that could help sellers when overnight delivery is the only option. Last month the USPS announced new flat rate boxes for Express Mail priced at \$39.95 and broadened the service to include flat rate boxes for customers who ship domestic parcels at retail, commercial base, and commercial plus prices. The dimensions of the boxes were initially unpublished, but we now know the two new Flat Rate Box sizes will measure 11 inches x 8 1/2 inches x 5 1/2 inches, and 11 7/8 inches x 3 3/8 inches x 13 5/8 inches. Both boxes are priced the same \$39.95, regardless of the actual weight (up to 70 pounds) or domestic destination. All existing Express Mail standards and postage payment methods for retail, commercial base, and commercial plus prices apply.


 [Kansas City Business Journal](#): It might seem logical that direct-mail advertisers would be hit heavily by any cutbacks to the U.S. Postal Service. But area companies said they already have made adjustments to provide new and more targeted services to clients. Susan Reiter, senior vice president at BKV Inc. in Overland Park and president of the Kansas City Direct Marketing Association, said online marketing has nudged direct mail from half to one-fifth of BKV's business.


 [RetailSolutionsOnline](#): The Internet isn't killing the USPS. The USPS is committing suicide. Its decision last week to cut \$3 billion in costs by slowing down first class mail service, among other things, flies in the face of the world as we know it.


 [Politico](#): before Congress decides to degrade the Postal Service's "last mile" delivery network, it should consider the effect this would have on the long-term viability of a crucial piece of our economic infrastructure. We realize the Postal Service faces a serious budget crisis and must carefully seek to reduce overhead expenses. But much of the crisis was caused unintentionally by Congress — not the Internet. Tens of millions of Americans depend on a strong Postal Service. At least half the country's monthly bills are paid through the mail. The nation's letter carriers still carry 170 billion pieces of mail a year. They still deliver trillions of dollars per year in financial transactions. Let's give the Postal Service and its employees a chance to craft a better solution together. The explosion of e-commerce offers a tremendous opportunity for the Postal Service to re-invent itself for the 21st century — if we are allowed to do it.


 [The Guardian](#): Temporary postal workers who thought they had secured precious paid employment in the runup to Christmas have been turned away from sorting offices due to administrative failures by Royal Mail's in-house staffing agency, the Guardian can reveal.


 [Businesslife](#): From today, all households will receive a survey from Jersey Post asking them for feedback on the postal service and its products and services. Jersey Post has undergone substantial operational change in the last twelve months with the focus being on reducing costs to ensure the service can be sustained in the face of falling mail volumes. In recognition of this, the organisation is anxious to understand how the company is performing in the eyes of its customers and where improvements may still be required.


 [ARKA](#): Armenia's National Postal Service HayPost said it has recovered this year 21 billion drams after specifying the lists of senior people eligible to old-age and retirement pensions. HayPost was placed under trust management of Dutch Haypost Trust Management BV in 2006 in Yerevan for a period of 5 years with a possible extension of the contract for a similar period. HayPost operates some 900 post offices in the territory of Armenia.

 [Philadelphia Inquirer](#): Congress is dithering, the for-profit mail services that want to carve up the Postal Service are salivating, and the postmaster general is surrendering. Americans are almost being pushed into the arms of UPS and FedEx. The cuts proposed by the postmaster general go well beyond cost-cutting. They are the sounding of the death knell for a service that traces its roots to the nation's first days, and that remains essential for isolated rural communities and neglected urban neighborhoods.

 [Politico](#): *Sens. Lieberman, Collins, Carper, and Brown* -- Despite the use of new communication technologies, a collapse of the Postal Service would devastate our economy. The situation is dire but not hopeless. With the right tools and action from Congress and the Obama administration, the Postal Service can reform, right-size and modernize. We are not crying "wolf." If nothing is done, the Postal Service will not be able to make payroll next summer — stopping mail delivery in its tracks and wreaking havoc on our already fragile economy. To prevent this, we must pass a comprehensive reform bill. If we don't, the Postal Service, which is enshrined in our Constitution, will fail — ending an American institution that has served us well since the beginning of our Republic.


 [Townhall](#): It's Groundhog Day at the US Postal Service: time once again for the familiar laments about how the agency's financial losses are surging, how demand for its services is plummeting, and how officials have no choice but to close local facilities, raise the price of stamps, and reduce delivery standards. If all this sounds familiar, you aren't hallucinating. The more things change in Postal World, the more they remain the same. In the 1960s, a stunning 83 percent of the agency's total budget went to wages and benefits. Three decades later, after billions of dollars had been spent on automation, labor costs still accounted for 82 percent of the budget. And in 2011? "Decades of contractual promises made to unionized workers, including no-layoff clauses, are increasing the post office's costs," The New York Times recently reported. "Labor represents 80 percent of the agency's expenses, compared with 53 percent at United Parcel Service and 32 percent at FedEx, its two biggest private competitors."


 [Tucson Citizen](#): There is no disputing the negative impact of the digital age on communications. The brunt is evidenced by a 22 percent drop in the volume of mail delivered over the past five years. But there is a more disturbing reason behind the expected widespread closures, fewer delivery days and the fact that the agency has announced it will no longer guarantee next day delivery for First Class mail. The American Postal Workers Union (part of the AFL-CIO) is the major culprit. Here is the contract that ensures airtight, lifetime perks. Yet the agency deceptively runs ads blaming congress for their bloated salaries and mismanagement.


 [Jackson Sun](#): The U.S. Postal Service's plan to close 252 mail processing facilities and cut 28,000 jobs by the end of next year may help the agency curb its mounting financial problems, but it faces big practical obstacles. Deciding which plants to close will be difficult and face opposition from community leaders. Actually closing all of them could take a few years, and most workers will stay employed under union rules. The bulk of the job cuts actually will come from attrition and retirements, not layoffs, while the remaining work force is shuffled into new locations and positions.


December 11, 2011


 [Financial Times](#): "[Masters of the Post: The Authorized History of the Royal Mail](#)", by Duncan Campbell-Smith, Allen Lane, RRP£30, 849 pages.

 [Tallahassee.com](#): I do wonder if the unceasing decline — and possible elimination — of the U.S. Postal Service will not invoke the law of unintended consequences. Because the postal service is the linchpin of a lot more than letters from Grandma.


 [Billings Gazette](#): While the U.S. Postal Service says closing mail-processing centers and rural post offices in Montana is still "under review," some believe the closures are going forward — unless Congress steps in to stop them, and helps solve the USPS' fiscal woes. The question then becomes, will Congress act? Or will another vital issue fall victim to political gridlock in Washington?


 [Billings Gazette](#): Members of Montana's delegation say they want to protect rural postal customers from bearing the brunt of cost-cutting. However, the inspector general's report says changes must be made in both rural and urban areas to bring USPS costs into alignment with revenues. Paying urban letter carriers on the same model as rural carriers would improve efficiency. Rural carriers are paid by the route; city carriers usually are paid by the hour. On the issue of closures, studies by the inspector general and independent consultants found that USPS has the right number and location of post offices in urban areas, but too many low-volume retail outlets in rural areas. Congress must allow the USPS to make changes necessary to continue delivering mail to people and businesses throughout our vast state and our great nation. Congress must remove restrictions that prevent USPS from offering services (e.g. shipping microbrews) and allow it flexibility to set prices that cover its costs.

 [Holland Sentinel](#): In addition to delivering the mail, the U.S. Postal Service carries a lot of baggage too. There's the sentimental baggage that makes most Americans resist change in the Postal Service — the image of the friendly neighborhood letter carrier, the history of the post office as a center of community life, the little surge of anticipation we get as we open the box to see what the mailman brought today, even though it's rarely a personal message. Then there's baggage from Congress that drives up Postal Service expenses. While the Postal Service receives no government funds, it operates under strict mandates from Congress, including a requirement that it deliver the mail six days a week. Congress even requires that the Postal Service put more than \$5 billion a year into a trust fund for pension obligations — even though that pension kitty is overfunded by an estimated \$75 billion. Facing a \$14 billion shortfall this year, the Postal Service has proposed a draconian plan to avert bankruptcy, including the closure of more than 250 distribution centers, a move that would effectively eliminate next-day delivery and make "snail mail," well, even snailier.

 [Dead Tree Edition](#): Despite all the talk of restructuring and downsizing at the U.S. Postal Service, its labor costs have hardly budged in the past year. With employees working more overtime and relatively few retiring, the agency's cost of salary and benefits inched down by barely 1% during the fiscal year that ended Sept. 30. So far this year, the decline is a paltry 0.2% lower than the same time last year. In contrast, USPS projects that its revenues will decrease nearly 3% this fiscal year.

December 10, 2011

 [Cato Institute](#): On Monday, the U.S. Postal Service filed its proposal to reduce service standards with the Postal Regulatory Commission (PRC). The USPS is seeking to cut costs by closing about half of its mail processing facilities, which would mean slower mail delivery. Given that the USPS is running on financial fumes and Congress is still trying to figure out how to kick the can down the road, management apparently decided that it had to act.

 [Journal Tribune](#): Congress should have stepped in to solve the problems with the United States Postal Service long ago, but they didn't. So now consumers are faced with a significant decrease in service that will occur beginning this March — only a few months away. The postal service is waiting for Congress to grant it authority to reduce delivery to five days a week, raise stamp prices and reduce health care and other labor costs. But they can't wait any longer: The USPS faces imminent default this month on a \$5.5 billion annual payment to the treasury for retiree health benefits


 *From the Federal Register:*


- **Postal Regulatory Commission NOTICES** Competitive Product Postal Price Changes , 77271–77273 [2011–31814] [\[TEXT\]](#) [\[PDF\]](#)
- **Postal Service RULES**


Authority To Manufacture and Distribute Postage Evidencing Systems , 77149–77150 [2011–31726] [\[TEXT\]](#) [\[PDF\]](#)


Domestic Shipping Services Pricing and Mailing Standards Changes , 77133–77149 [2011–31747] [\[TEXT\]](#) [\[PDF\]](#)

 *At the Postal Regulatory Commission:* During Dec. 7, monthly public meeting PRC Commissioners elected Commissioner Nanci Langley as new Vice-Chairman, effective Jan. 1, 2012.


 [New York Times](#): This Christmas season, there's a new twist: in addition to traditional phone orders, L L. Bean is wading boot-deep into social media. A 10-member team was recently created to interact with customers on social media platforms like Facebook and Twitter.


 [National Association of Postmasters of the U.S.](#): NAPUS President Bob Rapoza and League President Mark Strong met with Postmaster General Patrick Donahoe and agreed to re-open Postmaster pay talks. This agreement was reached in the midst of the selection of a fact-finding panel from a list of panelist received from the Federal Mediation and Conciliation Service. If no agreement is reached by the January 27, 2012 deadline, the fact-finding process will resume.


 [Press Release](#): Holly branches and pine boughs aren't the only green signs of the holiday season — mailers and shippers can also count on the Postal Service to help them go green, save green, and be green this time of year. "The Postal Service is one of the greenest mailing and shipping companies in the world," said Thomas G. Day, chief sustainability officer. "We offer more than a half-billion eco-friendly mailing and shipping supplies, free package pickup and holiday cards printed on recycled paper available in 2,000 Post Offices, and the Postal Service is leading the adoption of green practices by engaging our employees, customers and suppliers." The Postal Service offers customers options to help reduce their carbon footprints, just as it consistently seeks ways to reduce its own environmental impact.


 [PIWorld](#): The U.S. Postal Service (USPS), beloved though it may be, is not earning any brownie points with the mailing community following the announcement that it was moving forward with its exigent rate increase request of 5.6 percent. But, you have to feel for Mr. ZIP, as this move wasn't his idea.

December 9, 2011

 [Lodi News-Sentinel](#): Rep. Jerry McNerney, D-Pleasanton, called on U.S. Postmaster General Patrick Donahoe to ensure that the processing and distribution center in Stockton, which is being considered for closure, remains open. Closing the Stockton center would mean an estimated 187 jobs would be lost in the Stockton area, McNerney said **in an email** .

 [Saipan Tribune](#): Residents of Dandan and nearby villages will now have convenient access to private mail service with the grand opening of Dandan Postal Services across from Joeten Dandan Building at 10:30am today. Dandan Postal Services owner Joe Ayuyu said their grand opening comes with a very attractive promotion to encourage customers to rent a mailbox with them. The first 100 customers today will get a chance to rent a mailbox for three months for free. Ayuyu, who is also the owner and president of McDonald's Saipan, said today's event is for the entire family. Refreshments will be served while Hapi D' Clown entertains the customer's children to allow their parents to deal with the mailbox rental application. "We're very excited that we're providing a much needed service in the community," Ayuyu told Saipan Tribune.

 **Post & Parcel:** Croatian Post has become majority owner of one of the country's largest printing businesses, attached to the daily national newspaper Vjesnik (Journal). The postal service said it believed the printing house fit well with its own mail services, and would provide increased sales. One of the key reasons for the investment has been to pave the way for Croatian Post to get into the provision of hybrid mail services, turning electronic communications into physical mail, it revealed.

 **Post & Parcel:** UK consumer watchdog Consumer Focus has said Post Office Ltd's plan to turn 2,000 rural post offices into slimmed-down "locals" could work if changes are planned properly.



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

- The Alliance of Nonprofit Mailers, the Association for Postal Commerce, the Direct Marketing Association, and the Association of Magazine Media have sent a letter to the Postmaster General asking him to withdraw the Postal Service's exigency case.
- The Associations' letter to the Postmaster General about the exigency case needs some comment, so here it is, by Gene Del Polito.
- The U.S. Postal Service on December 5, 2011, filed with the Postal Regulatory Commission (PRC) its request for a non-binding advisory opinion concerning its proposed changes to service standards which facilitate its network optimization plan. The USPS in multiple pieces of testimony submitted to the PRC explains the changes it is proposing, what led it to the proposal, financial and cost analysis, projected impacts on customers, and other aspects of the proposal.
- In addition to the information included in its testimony filed with the Postal Regulatory Commission (PRC) on its communication efforts around its proposed service standards and network changes, the USPS also submitted to the PRC a separate Area Mail Processing (AMP) Communications Plan in which it outlined the AMP study process in terms of internal and external communications.
- The U.S. Postal Service Office of Inspector General (OIG) released its Semiannual Report to Congress this week. The report covers the OIG work and activities for April 1 - September 30 of FY2011.
- According to Courier, Express and Postal Observer, "Adam Hartung in Forbes magazine has an article that reaches the nub of the problem with the Postal Service and why the Postal Accountability and Enhancement Act (PAEA) failed. Basically, PAEA did not give the Postal Service the tools to make the shift in its business strategy as the market for mail shifted."
- CBO scores Issa bill. PRC receives USPS proposal to change service standards. APWU responds to USPS' service standards changes. Carper responds to USPS' proposal. NALC responds to service standards proposal. President nominates Tony Hammond to PRC. The junking of the Postal Service. Michele Bachman: Why the USPS may need to resort to bake sales. The biggest lie about democrats. USPS: back to the future? Senator Casey to PMG: think carefully about closing Erie mailsorting facility. House Dem calls for firing PMG; blames Obama, GOP Congress. Infotrends expects digital mailbox services to deliver 2B paperless docs by 2015. Union warns of USPS 'death spiral.' USPS, two unions, continue negotiations. Rep Garrett introduces bill to address budget process, including USPS. PostCom welcomes its newest members.
- Updates from the Domestic Mail Manual.
- 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.



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[!\[\]\(08a82c22d89d6b027ff69762ad096586_img.jpg\) Imperial Valley Press](#): To return to profitability, the USPS has to reduce its annual operating costs by \$20 billion by 2015, according to a postal official. That may mean guaranteed next-day delivery for first-class mail will be a thing of the past, although overnight express mail still would be guaranteed by the Postal Service. First-class mail could move to a second- or third-day standard delivery for contiguous areas if a series of proposals is approved by postal officials. Another reform proposal calls for the shuttering of many mail-processing centers around the nation, which would mean the loss of tens of thousands of jobs. That is not exactly the image USPS wants to project. Somehow, the Postal Service has to make itself more relevant in a fast-paced, cyber world, but that won't be easy, especially with such a huge organization with so many employees entrenched in their ways.

[!\[\]\(35e4f762fc1cfea5610d92e2d225d5b4_img.jpg\) PRWire](#): The US Postal Service is struggling to survive, but Australian Peter Harris is joining the push for US businesses to write more letters through his electronic posting service Docsaway. Just this week the US Postal Service announced it would close more than half its mail-processing centres in a \$3bn cost-cutting drive, resulting in 28,000 job losses <http://www.bbc.co.uk/news/world-us-canada-16037668> Docsaway is a PDF-based solution that is ideal for businesses wishing to automate or outsource the mailing of their paper-based documents from a number of locations throughout the world. It allows businesses to have the sincerity and genuine nature of a letter, without the fuss of actually going to the post office.

[!\[\]\(d84e7ea36f695d92cb39ec32c307ac93_img.jpg\) Express-Times](#): Faced with potential bankruptcy, the U.S. Postal Service is playing to its weaknesses, rather than its strengths, to get out of a \$14-billion-a-year hole. A new strategy announced this week by Postmaster General Patrick Donahoe — abandoning next-day delivery for first-class mail, closing 252 processing centers and ending Saturday delivery — should be returned to the sender. By an overnight service, to drive home the point. It's not the Postal Service's fault, entirely, that it is trapped in a downward spiral that gets worse every year. What was once a monopoly is now a highly competitive market that includes speedier delivery services, e-mail and Internet purchasing. Yet the Postal Service, which receives no taxpayer support, is weighed down by anchors that no business can tolerate. Essentially, the Postal Service is being made to operate as a private business with the unsustainable benefit costs that governments lavish upon their employees. That's a recipe for failure.

[!\[\]\(feabb98897b440bc8695a03336a6e2df_img.jpg\) Buffalo Business Journal](#): Congress helped create the problem that now haunts the U.S. Postal Service . Now Congress needs to fix it.

[!\[\]\(9dfdaff1d86ba3c1f8353b4d1b61b8c5_img.jpg\) The Hill](#): A large group of Senate Democrats is fighting to stop plans by the U.S. Postal Service to shrink its services to address its multi-billion-dollar operating deficit. A group of 18 Senate Democrats have signed a letter to Senate Majority Leader Harry Reid (D-Nev.) and Senate Republican Leader Mitch McConnell (Ky.) asking for Congress to postpone the Postal Service's action. They are requesting congressional leaders add language to appropriations legislation that would prevent the Postal Service from consolidating area mail processing centers and rural post offices for the next six months.

[!\[\]\(83f22ed94ec5517769dd76d702c6bfd8_img.jpg\) Newsjunky.com](#): Rep. William L. Owens, D-Plattsburgh, has proposed a bill aimed to help communities maintain or reopen closed post office locations following more expected closures from the United States Postal Service as the agency faces possible bankruptcy. Owens said the USPS would be forced to consider moving U.S. post offices on its closure list into either local community businesses or government buildings, under his Community Postal Service Preservation Act, partly to save the agency money as it finds ways to cut \$3 billion in expenses from its budget.

[!\[\]\(8d0f0e0fe25b320c33272c52aec1fbca_img.jpg\) New York Post](#): United Parcel Service has hit a bump in the road as it tries to expand beyond package delivery. UPS recently came close to a deal to acquire Stamford, Conn.-based World Courier for \$500 million before talks ended, sources told The Post. A potential deal for World Courier, which offers medical companies services for handling clinical drug trials, was part of UPS' drive to cater to business customers. UPS has not made an acquisition of more than \$1 billion since 2005, although it has been hunting for companies that offer supply-chain services, such as handling health-care products.

[!\[\]\(642aa997563f9a325b310230bb5078b7_img.jpg\) St. Cloud Times](#): The recent Times Our View that purported to helpfully advise readers on how to reduce their "junk" mail was an inspired piece of self-serving hypocrisy.

[!\[\]\(082f818d99f166a3ba574d9284d73064_img.jpg\) Atlanta Journal Constitution](#): The postal service continues to consolidate processing facilities to reduce personnel and transportation costs and optimize its expansive retail network by conducting studies of approximately 3,700 retail offices for possible closure. At the same time, it's continuing to work with local retailers to offer products and services at more convenient locations — places where people already shop, such as pharmacies, grocery stores and other appropriate retailers. This includes the introduction of the Village Post Office, an alternate access option that offers popular postal products and services such as stamps and flat-rate packaging. These aggressive efforts, however, are insufficient to close projected budget deficits. The postal service needs Congress to enact legislation, as soon as possible, to eliminate the current mandate requiring retiree health benefit pre-payments, which costs the agency \$5.5 billion annually.

[!\[\]\(d263118e0bfd47dc6bc704167d936b83_img.jpg\) WDEL](#): Senator Carper says new marketplace realities are forcing the Postal Service to re-invent itself. The Democrat tells WDEL News one way the agency's kept up with the times is the way it does business with private mail delivery companies.

[!\[\]\(34b4f260a8587d2e97eeaee361cc357b_img.jpg\) Huffington Post](#): By 2014, the technology research group Gartner predicts social networking services will replace email as the principal method of interpersonal communications for 20 percent of business users. So, is email dead? Can we do something to change it? And should we? How did email get so broken, so noisy, and so damned annoying anyway? But email doesn't cost anything -- for the sender, that is. For the receiver the costs are painfully real. Time, sanity, and attention span are all suffering. Which is why I think it's time for the United States Postal Service to take over the management, operations, and back-end billing for the users of email. Email was once wonderful, a magical, efficient, direct way to connect with people and share ideas and information. It's not gone yet, but it's facing near-term extinction. Email needs a traffic cop, with the power to manage the electronic commons and keep things running smoothly and fairly. I say save email. And I think my friend Pete the Postman is just the man for the job.

[!\[\]\(3d8c13c92b853674f749aac6fa869926_img.jpg\) Mount Airy News](#): The proposed closings of various facilities around the nation, in addition to slowing the delivery of the mail, makes those sorts of cuts in Surry County, and perhaps the demise of the postal system, inevitable. Those running the U.S. Postal Service don't seem to understand in order to run a business, one must find ways to efficiently meet customer demand, not pretend customers do not exist. Then again, it has been those leaders' inability to understand they are running a business, even if it is essentially a government-controlled monopoly, that has in large part led the Postal Service to the point of insolvency.


[!\[\]\(6605b201d6f14d9b3bcb8ab5f274d107_img.jpg\) KVAL](#): Oregon lawmakers are taking aim at U.S. Postal Service proposals to close processing centers and rural post offices. At the federal level, Rep. Peter DeFazio has introduced two pieces of legislation aimed at the Postal Service. The Springfield Democrat plans to hold a press conference at the Gateway Processing Center on Friday.


[!\[\]\(96cc62f861fdd6e50510c0224a756dff_img.jpg\) MyFoxBoston](#): The Postal Service is hardly the first place you'd think of as having extra money lying around, but FOX Undercover has found that the Postal Service is on the hook to pay millions of dollars to rent a large building in Winthrop, a building it has never occupied and has no intention of occupying. In addition to wasting millions of dollars, the Postal Service has let the vacant Winthrop building turn into an eyesore, according to Winthrop resident David Osborne.


December 8, 2011


[!\[\]\(17acf1afa8cdf0b67c53d4865a5ed469_img.jpg\) The Morning Call](#): "Postal cuts imperil holiday tradition: O little town of Bethlehem, your postmark soon may fade."


[!\[\]\(e8fb589d58dad1692debababa5e928b6_img.jpg\) PostBulletin](#): So what's the answer? Should the U.S. Postal Service be allowed to wither and fade away? We think not; rather, we believe the day is coming — and that right soon — when the U.S. government will need to take the Postal Service under its financial wing. Such a step would use taxpayer dollars to support a smaller, leaner organization that would continue to provide flat-rate mail delivery to every address in the nation.


 [Nextgov](#): Rather than continuing to rely on a paper-based service, should the Postal Service become an innovator and look to the future of communications, rather than the past? Specifically, should the Postal Service become a leader in the cybersecurity space and lead the charge on document and data-rights management controls?


 [Huffington Post](#): If the conversation about the end of the U.S. Postal Service sounds familiar, it's not just because we've heard variations of it since 1970, when the old Post Office Department became a separate business. It's also because the destruction of mail delivery closely parallels the wrecking of American passenger rail. Apparently the Congress has it in for quasi-public institutions with work forces composed disproportionately of African-Americans. *[EdNote: What claptrap! Is this what passes for journalism these days?]*


 [Standard-Examiner](#): The U.S. Postal Service, of course, is the victim of the dramatic evolution in communications of the last two decades. Actually, the decay began much earlier than email. It started with the service's failure to meet the competition from private systems that stole much of its lucrative package delivery and then its business clients. That loss had its roots in what now looks like a very bad decision, the **privatization of the U.S. Post Office**. That now dubious action created a convoluted two-tiered process reliant on Big Labor to represent the then non-union letter carriers and others on the front line of the delivery system. The new service's costs escalated exponentially, helping to turn fledgling private delivery companies like Fed Ex and UPS into financial behemoths. *[EdNote: Privatization of the Postal Service???? Have we missed something here?]*


 [KRTV](#): U.S. Senator Jon Tester (D-MT) is asking Senate leaders to postpone closing post offices and area mail processing facilities for six months. In a news release, Tester said the delay would allow Congress more time to "enact reforms necessary" for the Postal Service to succeed. In the release, Tester stated, "We are concerned that the Postal Service may preempt Congress on this matter by closing or consolidating nearly 3,700 mostly rural post offices, over 250 mail processing facilities, and eliminating overnight delivery for first class mail before postal reform legislation is enacted."

 [Washington Times](#): The husband and wife postal workers at a North Carolina mail-sorting plant were out of work and collecting disability benefits when they first came under surveillance. Acting on an anonymous tip, agents with the U.S. Postal Service's Office of Inspector General went undercover for two months. They used video cameras to document the activities of the couple, who had claimed they could not work because sitting more than 15 minutes caused pain and swelling, records show. The agents followed the husband and wife either alone or together driving, gambling and mowing the lawn, among other activities. The couple faced criminal charges and, after a three-day trial in January, convictions for crimes involving workers' compensation benefits. The case wasn't unusual.


 [Press Release](#): In a presentation delivered today at a media roundtable organized by the International Post Corporation during the COP 17 climate conference in Durban, South Africa, U.S. Postmaster General Patrick R. Donahoe heralded the U.S. Postal Service's sustainability successes, making the business case to go green.


 [Washington Post](#): The House, controlled by Republicans not known for their cuddly-wuddly approach to federal employee issues, last week approved workers' comp legislation that is hailed by federal labor organizations. Last month, a committee in the Democratic-controlled Senate, a body that is generally more worker-friendly, advanced a bill that would sharply tighten the screws of the Federal Employees' Compensation Act (FECA). And the administration of President Obama, who was strongly backed by federal unions, came close to calling a segment of beneficiaries delusional when the administration proposed benefit cuts for some workers injured on the job. The Senate action, by the Homeland Security and Governmental Affairs Committee, would mean a significant hit for workers' comp beneficiaries.


 [Ogle County News](#): A spokesman for U.S. Congressman Don Manzullo (R-Ill.) said Tuesday that steps are being taken to halt a U.S. Postal Service (USPS) plan to close the Rockford mail processing center and move it to Madison, Wis.


 [Press-Citizen](#): Most Press-Citizen readers send in their letters to the editor electronically these days. Although a healthy trickle of letters continues to come in through the U.S. Postal Service, most letter writers wait until they have access to their computer to transcribe their response and send it off promptly. The nation's mail volume peaked


in 2006 and has been on the decline ever since. This transformation is leaving the future of postal systems worldwide in question. Like newspapers and libraries, USPS faces opportunities and challenges in a digital era. It either will have to adapt or will risk losing too much of its market share to new technologies and more innovative private carriers. The changes it needs to make will be more fundamental than raising postal rates or implementing forever stamps.


 [The Examiner](#): The United States Postal Service has been doing poorly, financially, for years. With the advent of emails and electronic bill payments there's been a dramatic drop in the use of the postal service, yet their expenses have increased. One suggestion is to get into the email business. Believe it or not, but the USPS has very sophisticated technology. So they have amazing technology...and we have emails that are loaded with spam. What if the USPS created a secure email system for the nation that has the highest level of spam filtering? Since it's our government, perhaps they could connect with the Department of Defense to make sure we get good filtering, get rid of spam, eliminate viruses, and devise a national email verification system. This way we know for certain that our emails are from the companies they claim to be from and are not a phishing scheme. Would everyone in the US use it? No. But if it's a high value service, most corporations and businesses will jump onboard and pay handsomely for the service.


 [Hampton Roads Pilot](#): For more than a year now, the U.S. Postal Service has sounded the alarm about the financial crisis that is slowly but surely killing it. The one group with the power to help it stave off disaster couldn't pretend to be less interested. In the past year, Congress has had time to ponder the content of school lunches, to bemoan the demise of the incandescent light bulb, to grandstand on the national debt and motto, to decry government regulations hampering economic activity. Yet it has all but ignored the pleas from the postal service, a self-sustaining organization being crushed under the weight of a 2006 law passed by - you guessed it - Congress.


 [BBC](#): Royal Mail has admitted to charging some customers twice for postal services as problems continue to hit its website. Some 600 customers had cards debited twice, at an average of £50 each time, after repeating a purchase which the system told them had initially failed. Various online postage applications - such as Price Finder - have been down since 21 November.


 [PRWeb](#): USPS continues its commitment to employee advancement by offering its personnel the opportunity to enroll in Ivy Bridge College's diverse selection of online degree programs.

 [Recordnet.com](#): Something must be done, and quickly. The Postal Service has been running billions in the red for five years and this month faces default on a \$5.5 billion annual payment to the Treasury for retiree health benefits. Next year, the USPS is facing a projected loss of \$14.1 billion on top of a \$5.1 billion loss this year. So even the cuts proposed - and the \$3 billion in estimated savings - doesn't fix the system. Americans like getting mail - most of it - but they've made clear they don't want tax dollars going into getting it to them. Unfortunately, selling stamps and such has not been enough to sustain the service, especially in recent years.


 [Colorado Springs Independent](#): The USPS is a vital lifeline for small communities, for rural America, and for millions of older Americans. Some argue that it ought to be reintegrated into the government, not tossed into the dustbin of history with passenger railroads and full-service gas stations.


 [Bloomberg Businessweek](#): Deutsche Post AG, Europe's largest postal service, lost a challenge against a regulator's decision to re-open a probe into possible state aid after complaints from competitors.


 [Times of Trenton](#): Rooting for the Postal Service to continue is not a quaint and romantic view of the postal carriers adhering in adverse conditions to their oft-repeated slogan. It's recognition that the postal service remains a necessary and relevant stitching together of our society.


 [Insurancenews.net](#): Rep. Scott Garrett (R-NJ), Vice Chairman of the House Budget Committee, today introduced the Budget and Accounting Transparency Act as part of a comprehensive set of ten reforms that strengthen spending controls, enhance oversight of government spending and bring honest accounting to Washington's broken budget process. The Budget and Accounting Transparency Act would do the following: Put the Postal Service on-budget to

recognize the reality that the liabilities assumed by the USPS have repeatedly been funded by the federal government regardless of the off-budget or on-budget nature of the Postal Service.

 [From the Federal Register: Postal Service RULES International Mail: New Prices and Fee Changes; Mailing Services , 76619-76620 \[2011-31327\] \[TEXT\] \[PDF\]](#)

 [Connecticut Post](#): The U.S. Postal Service is reeling, but a spokeswoman for Stamford-based Pitney Bowes, an adviser to the post office, said she believes it will muddle through its financial morass, instituting some quick-fix measures while working on a long-term answer.

 [USAToday](#): Snail mail is about to trudge even slower, forcing companies dependent on the postal service, such as prescription-medication firm Express Scripts and thousands of small businesses, to revamp fundamental business models.

 [GlobalAtlanta](#): United Parcel Service Inc. has announced that it will purchase Italy-based Pieffe Group to support the logistics company's healthcare business. Pieffe provides storage and distribution for pharmaceutical companies and through this deal UPS will gain two major facilities in Milan and Rome. *[EdNote: Benissimo!]*

 [At the Postal Regulatory Commission: Docket No. N2012-1](#): Notice and Order Concerning Request for an Advisory Opinion Regarding the Revision of Service Standards for First-class Mail, Periodicals, Package Services, and Standard Mail



Review FINAL USPS Folded Self-Mailer & Un-Enveloped Mailpieces Mailing Standards

Please join the Association for Postal Commerce for [A FREE WEBINAR](#) on Wednesday, January 11, 2012 at 1:00pm Eastern Time

Craig Vance, USPS HQ Operations Integration & Support

will be reviewing the final rule for Folded Self-Mailers and Un-enveloped Mailpieces.

Finally, after diligent effort and cooperation between the USPS and industry, the changes to USPS Mailing Standards has been published in the Federal Register Notice.

Please take this opportunity to determine if and what changes are needed in your business that will allow you to start using the standards prior to the required effective date of January 5, 2013. Please join us, and have your questions ready for Mr. Vance.

We recommend that you also access the FSM reference material posted on RIBBS prior to the webinar.

After registering you will receive a confirmation email containing information about joining the Webinar.

December 7, 2011





PostCom Members!!


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


- USPS Lays Out Next Steps in Network Plan
- Challenges Continue at FSS Sites


- MTE: Deja Vu All Over Again?
- IMb Usage Continues to Increase... More for Some Mail Categories than Others
- USPS Gears Up for Peak Holiday Season
- From Confirm to IMb Tracing in January 2012
- New Permit Option in January for Full-Service Mailings
- eInduction Works Toward July 2012 Rollout
- Seamless Acceptance Pilot Test by July 2012?
- USPS Publishes Final Rules for Folded Self-Mailers and Unenveloped Pieces
- IM Container Barcode Workgroup Postpones Changes
- Group Presents Recommendations to Increase Use of IM Tray Labels
- New Visibility User Group to be Formed
- Re-Directions Still Present Challenge
- FAST User Group Update
- User Group Tackles Addressing Issues and Business Strategy
- Parcel Returns Process Needs Work
- eVS/PTS Users Work to Improve Systems and Processes
- Team Makes Recommendations to USPS on New Product Information
- The Future of PAVE
- Parcel Start-the-Clock Workgroup Reports Progress
- Aligning Mail Preparation Support Files
- February 2012 MTAC Meeting Format Change
- PostCom's 2011-2012 Operations Planner


 **Politico:** The head the union representing letter carriers says the Postmaster General is pushing the U.S. Postal Service into "a death spiral" and questioned why the White House is supporting a reduction to five-day-a-week mail delivery. "We believe, and the majority of Congress believes, and the American people believe, and thousands of businesses believe, that six-day delivery is vital to the future of the postal service... the Postmaster General is cutting, cutting, cutting because he doesn't see the Congress doing anything, but all that is a death spiral," Fredric Rolando told POLITICO.


 **Multichannel Merchant:** In light of the U.S. Postal Service's filing with the Postal Regulatory Commission this week and a proposed change in standards governing First-Class Mail, it's now imperative that the USPS meets the delivery standards upon which Americans will now plan their mailings.


 The Postal Service and two of its major unions have agreed to continue to extend separate labor contract negotiations. 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. All parties have now agreed to continue negotiations until midnight, Friday, December 16.

 **Times of India:** Until a few years ago, hardly a day would go by without the postman bringing a postcard from a family member or an acquaintance. One used to wait anxiously for the arrival of the postman who used to bring in some important message written in cream coloured postcards or folded blue inland letters. Postcards and inland letters used to be the most popular format and at many places the only means of postal communication. A postcard, which costs just 50 paise each or the inland letter at Rs 2.50 are still the most affordable mode of communication for a majority of people. Some postcards (also called Meghdoot postcard) that carry advertisements are even cheaper at only 25 paise each. But fewer and fewer number of people use this service today, particularly in urban areas, where private courier services, e-mail and SMS are preferred over the post. While e-mail is convenient, private couriers are known to be quicker in delivering letters and packages. The use of these once common postal facilities has gone down even in towns and villages with the availability of mobile telephone services that has changed the systems of communication quite dramatically. The use of postcards and inland letters has declined sharply over the past decade, since the introduction of the quicker Speed Post system and private courier services.

 [Federal News Radio](#): The Postal Service has a process to ensure that workers are kept safe from accidents on the job. But the Inspector General has found that employees don't always follow those processes.


 [Courier, Express, and Postal Observer](#): Adam Hartung in Forbes magazine has an article that reaches the nub of the problem with the Postal Service and why the Postal Accountability and Enhancement Act (PAEA) failed. Basically, PAEA did not give the tools to make the shift in its business strategy as the market for mail shifted. So how does an enterprise deal with market shifts? If transforms itself or it dies.


 [Austrian Independent](#): Post AG said yesterday (Tues) there were 622 regular post offices in Austria – and added that it planned to close some of them in the next months. The company, in which Austria holds a 52.8 per cent stake through Industry-Holding Stock Corporation ÖIAG, said the number of Post Partners shot up to 1,236 from 1,212 in the first half of this year. **Post Partners are pharmacies, grocery stores and petrol stations which cooperate with Post AG.** The private businesses receive around 1,500 Euros a month for providing basic postal services. This partnership helps Post AG to avoid getting entangled into lawsuits launched by angered citizens. Austrian law says that Post AG must guarantee a country-wide provision of postal services, even in the most remote regions. **The Post Partners concept is widely seen as a successful business model** – but also as a legal loophole used by the partly state-owned company which is currently reorganising its internal structure.


 [Post & Parcel](#): Royal Mail has launched a new online Compliance Centre to help address verification and hygiene service providers make the most of the national address database, the Postcode Address File (PAF). The PAF database contains more than 29m addresses in the UK, including mainland areas, Northern Ireland, the Isle of Man and the Channel Islands, with the copyrighted information available for use by businesses via the right license.




PostCom welcomes its newest member: [The Lane Press, Inc.](#) 87 Meadowland Drive, South Burlington, VT 05403-4401 represented by **Peter Joslin** Manager, Finishing and Distribution.


 [The Atlantic Cities](#): One idea being encouraged by the Postal Service is to revive the "Village Post Office," a nostalgic throwback to the early days of mail services when the local drugstore or gas station would also provide stamps, mailing and even P.O. box services. The Postal Service is maybe not-so-actively seeking local businesses, presumably in the areas affected by its 3,200 branch closures, to take on the extra role of playing post office. Private industry is also approaching this territory. Online retailer Amazon has recently begun testing a new idea for deliveries. It's an automated locker system that would be located in 7-Eleven convenience stores where Amazon shoppers could choose to have packages delivered.


 [Retailwire](#): Retailers count on the U.S. Postal Service (USPS) to make deliveries in all kinds of conditions and on most days of the week. But that's about to change with the announcement this week that the USPS was looking to reduce billions of dollars in operating costs by closing offices and making changes in its delivery practices. "The biggest challenge retailers will face will be the end to next day delivery service as well as the likely end of Saturday deliveries. In the past, retailers have relied on Saturday delivery service to get new items in their stores for the following week and catalogs to their customers," Kathy Doyle Thomas, chairman of the board for the Retail Advertising and Marketing Association (RAMA) and executive vice president of Half Price Books, told RetailWire.


 [Agenzia Giornalistica Italia](#): In 2012, the Italian Postal Service will offer telephone services as well as internet access and voice mail as announced by CEO Massimo Sarmi at a press conference on revenue policy held today. "Services will start to be available next year," said Sarmi, "allowing customers to access our IT service using a digital signature and electronic pay systems."


 [Financial Times](#): Email may be killing the traditional paper-and-ink letter but Deutsche Post DHL, Germany's privatised post office, now believes the internet will bring it more joy than sorrow, especially around Christmas. While a wire can carry words, it cannot – at least just yet – deliver presents, food or drink. Deutsche Post says letter volumes will decline by an annual 2-3 per cent in coming years, but expects its domestic parcels business to thrive as big investments in sorting machines and services persuade more people to buy on the internet – and online vendors to use Deutsche Post for shipping. Deutsche Post DHL emerged from the cocoon of state ownership 11 years ago, on 20 November 2000. With European postal markets being opened only slowly, Deutsche Post had time


to use monopoly profits to prepare for life after the end of its special status on 1 January 2008. "The Germans allowed Post to keep its monopoly long enough to produce the money it needed to restructure," Mr Appel said.


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


 We've got more capacity in our network than we can afford'. In saying this David Williams, USPS vice president Network Operations, announced far reaching service and job cut plans on Monday. USPS plans to shelve next-day letter and postcard delivery as well as other selected First Class Mail services.


 Poste Italiane apparently plans to enter the broad band internet business.


 Private households in the Emirates may get their mail delivered into their own mailboxes in the future. Currently it is standard practice that even private persons hold a PO box in a post office and pick-up their mail there by themselves. Now Emirates Post will offer its 'My Home' service from the beginning of next year on.


 The internet is not only Australia Post's worst enemy, but also its best friend. At the opening of the company's first 'post office of the future' (CEP-News 25/11), CEO Ahmed Fahour said that the internet was 'destroying letter writing'. At the same time it was his 'best friend because more and more Australians are shopping online, and we can deliver the parcels', he added.


 Pos Malaysia ventures into direct marketing. This form of advertising was 'almost non-existent' in Malaysia, CEO Datuk Syed Faisal Albar told »Malay Mail« (04.12). For this reason Pos Malaysia now plans to offer its business clients a wide range of direct marketing services, which among other things will be based on Pos Malaysia's extensive data about Malaysia's population.


 Deutsche Post's refusal to make its identity verification system available to its competitors is legal.


 Canada Post considerably slid into the red in the third quarter of the current business year despite an increased turnover.


 Google plans to launch a fast delivery service. The goal is to let consumers shop online and get their goods delivered within one day - similar to Amazon Prime. Google 1-Day Delivery is expected to be launched in 2012. The »Wall Street Journal « (02.12) reported this citing persons familiar with the matter. According to the paper the internet giant is in talks with department store chain Macy's, clothing retailer Gap and office supplies retailer Officemax to team up for the service.


 Swiss Post's dense network of post offices secures the company a strategic advantage over its private-run competitors on the parcel market.

 Shipment volume on the European express and parcel market has bounced back to the pre-crisis level.


 **'With letter volumes in decline, I think it's very difficult to sell or privatise postal companies now'**. Deutsche Post's CEO Frank Appel estimates that it has become 'hugely difficult' to sell postal companies such as currently Royal Mail. In an interview with the »Financial Times« (04.12) Appel ruled out the possibility of acquiring a majority stake in Royal Mail. At best he could imagine taking a minority stake of 25% or 30% under certain conditions.


 USPS launches comprehensive tests with parcel terminals this week. Initially, the devices will be tested at 20 locations in Virginia as part of the 'gopost' project. Parcels can not only be collected at the gopost terminals, but also be posted.


 E-commerce is still seeing rapid growth in France. According to a study by Invest in France - a state owned institute which is supposed to promote foreign direct investments - the industry generated a turnover of 17.5bn euros in the first half-year 2011, representing a growth of 20% over last year's turnover.


 Swiss Post's around 35,000 employees will receive a pay rise of 1% this year. Additionally, all employees will receive a one-off payment of 400 euros 'for the good performance in the current year'.


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 Star Press](#): Essentially, the U.S. Postal Service is in the customer service business and not the delivery business. So news that the closing of 200 mail processing centers will lengthen by at least a day the time it takes to deliver a paycheck, catalog or parcel must be greeted with concern. This is a step backward, one that will speed the transition by customers to Internet delivery of more correspondence and transactions. It will hasten the downward spiral of our mail service.


 [Entrepreneur.com](#): For those business owners who continue to rely on the Postal Service for everything from paying invoices to dispatching holiday cards, slower deliver times could make you more vulnerable to late-payment penalties or even lost sales. Instead, here are three tips for revising your mailing strategies. Don't wait until the last minute. Target your efforts. Go digital. In addition to sending out email newsletters in lieu of the paper kind, consider electronic postal services.

 [National Review](#): Any plan to reduce costs and stave off a bailout is a good one, and we suspect that Netflix customers and junk-mail companies — the biggest users of USPS's services, at least until they, too, replace the mail with the Internet — can live with a slight delay in their deliveries. While we would prefer a plan that ends USPS's government-enforced monopoly on letter delivery and then privatizes the company, a dramatic restructuring — including the proposed changes to First Class delivery, as well as other severe cuts — could resolve USPS's immediate crisis and give it a shot at longer-term viability. Our preferred solution is to get the government out of the mail business. Congress should end the monopoly and sell USPS to the highest bidder. In the age of almost universal Internet access, there is no reason for the government to run a mail company. The USPS services that customers are willing to pay for will continue, and the rest will fall by the wayside. If possible, privatization should also give the new owner a chance to fight the company's unions, which have negotiated unusually high salaries and benefits, on a level playing field — first in union elections, and then, if workers vote to keep their representation, at the bargaining table. As there is no time to waste, the two houses should work to create a bill they both can pass, and of course House Republicans should push hard for concessions from the Democratic Senate. The law needs to allow USPS to downsize its operations in proportion to the decline in mail volume. If we're to be stuck with a government-owned mail company, at the very least it should not be run at the expense of taxpayers.

 [NorthJersey.com](#): Slower service doesn't help the postal service, either. It begins a death spiral. Late fees add up. When delivery lags, bill payers may get sick of the delay and head to the Internet. In turn, revenues will decline even more. Cutting services to the bone won't work; becoming more flexible and more current will. There can be growth. But that means figuring out a dependable, but less onerous, way to fund pensions.

 [The Sydney Morning Herald](#): The chief executive of Australia Post, Ahmed Fahour, showed that after only two years in his role, he had developed a firm understanding not only of the postal system but also of electronic forms of communication.

 [Enumclaw Patch](#): According to a recent story in the Los Angeles Times, there has been a long, steady decline in the number of greeting cards sent. "In 1995, the national Greeting Card Assn. boasted that 2.7 billion Christmas holiday cards would be sold that year. This year, that number has dropped to 1.5 billion cards," wrote Rosanna Xia. Many people are choosing to save the 44-cent per-card-cost to mail cards via the postal service and instead sending their holiday greetings via email or even Facebook.

 [Washington Post](#): Most of the 574,000 employees of the U.S. Postal Service complete their appointed rounds and quickly move envelopes and packages to final destinations. But some postal workers steal mail, burn it, hoard it or claim thousands of dollars in fraudulent workers compensation claims, according to a new watchdog report.

[National Public Radio](#): The U.S. Postal Service is proposing changes to stem the billions of dollars in red ink it's accumulating. While it's trying to shore up its losses, people's preference for email and online bill-paying — along with competition from the likes of FedEx and UPS — is eating away at its core business.

[First Coast News](#): As people get ready for holiday shipping, some said the post office isn't their first choice. "I don't need the post office," said Mike Cheatham, a customer at a UPS store in St. Johns County. As Cheatham gets prepared for the holidays, he said one stop he won't be making will be at his local post office.

[Dayton Daily News](#): The ripple effects from closing the U.S. Postal Service processing center here could be the loss of 100 or more jobs beyond the 400 unionized federal employees at the downtown facility, businesses say. And the closure would slap significant extra costs on nonprofits including schools, universities, and arts organizations that use the facility for discounted direct mail rates. They get the rates because their bulk mail is dropped off directly at a processing facility.

[Yahoo! News](#): Someone should have seen the effects of the Internet on the Postal Service many years ago and put forth a plan to downsize the government agency in manageable stages. The ability for data, documents and correspondence to be transferred instantaneously should have immediately warned of impending doom for any system that relied upon traditional mail, just as the inevitable graying of America's population and the increased prevalence of hourly, nonbenefited jobs at the expense of full-time jobs should warn of impending doom for Social Security. *[EdNote: Many years ago, someone did see and warned of the effects the internet would have on the mail. Those who were running the Postal Service, however, just chose not to look or listen. . . . Quel dommage!]*

[Forest Hills Patch](#): U.S. Rep. Gary Ackerman, D-Bayside, is calling on the United States Postal Service to not shutter its College Point processing and distributing center in the wake of a recent town hall during which northeast Queens voiced their anger over the proposal.

[Yuma Sun](#): It appears that inevitable changes in America's Postal Service are finally nearing reality as budget shortfalls continue to plague post offices. Ironically, the price of first class mail will be going up again in January by a penny even as it becomes a less timely form of delivery.


[WSBT](#): Businesses that send mail to make money are worried about what postal service cost cutting and changes will mean for their business. It normally takes the post office one or two days to deliver a letter but if the postal service gets their way people could wait even longer. Bulk mailers, like Mail Data 2020, are not happy about it since universities and non-profits turn to their company to spread the word.


[WAOW](#): Potential postal service changes could mean some newspaper readers won't see the front page until days after it's printed. TP Printing in Abbotsford sends 42,000 papers every week through the US Postal Service. With a proposal to end overnight shipping in the works, by the time readers get the paper, the news may not be so new. "It's a weekly but it needs to be known now. Not five days from now," said publisher Carol O'Leary. "We need to be current. We try to be as current as possible." TP Printing staffers said most of their subscribers get their copy in the mail within a day or two of the postmark. "If they don't get their newspaper the next day, they call," said Carol. Changes to the postal service standards would tighten up cut off times for all aspects of their black-and-white business.


[National Public Radio](#): The United States Postal Service has announced plans to close about 250 processing centers, lay off about 28,000 workers and accept slower first class service as a consequence. As many as 2,000 post offices could close, and Saturday delivery could be on the block, as well. All those cuts could reduce losses, maybe even put the USPS in the black, but when your mailbox is stuffed with direct mail ads, some raise what was once unthinkable: Has the post office outlived its usefulness?


[Folio](#): "Given the importance of timely delivery of relevant news and information, MPA is pleased that the Postal Service has revised its planned service changes for periodicals so that publishers who get their magazines to their destination facilities by 'critical entry time' will still receive next-day delivery," a statement from the MPA says. "This is a crucial and hard-fought change, which MPA advocated, from the Postal Service's initial plan to eliminate


all overnight delivery service. The overall impact on service remains to be seen, as critical entry times will also be changing, which may present printing and transportation challenges for weekly publications."


 [Nashville Business Journal](#): Nashville businesses are preparing for snail mail to get even slower next year.


 [Daily Finance](#): Currently, first-class mail promises delivery to homes and businesses in one to three business days. The proposed cuts will shift that to a two- to three-day window, according to the USPS. Based on that, consumers in the habit of getting their media the old-fashioned way -- by regular mail -- might want to rethink those choices. Because the post office will be operating with fewer processing facilities, "Customers could receive their daily publications a day later than they regularly do. To avoid that delay, consumers should consider subscribing to publications online.


 [Advertising Age](#): Considering the United States Postal Service's well-documented financial struggles, it's no surprise that it's looking to follow in the footsteps of some public transportation fleets by selling ads on some of its vehicles. As part of a pilot program, Denver-based Lighted Promotions Inc -- which installs lighted outdoor ads on big rigs -- has sold ads on the back of freight trucks owned by companies that contract with the USPS. Advertising on the trucks cost \$500 to \$600 for a month. So far, buyers have included state safety agencies, which have run ads on topics relevant to the road -- highway safety, drunk driving, seatbelt safety -- as well as anti-drug and anti-alcohol abuse spots.


 [Multichannel Merchant](#): Joe Schick, director of postal affairs for printer Quad/Graphics, says the USPS network needs to be right-sized. "Since First-Class overnight delivery is the driver for postal processing and transportation, it has to be changed to facilitate the needed reduction in sorting equipment, transportation, facilities and unfortunately, people." Schick adds: "Are we concerned about delivery and service in general while Network Optimization is being implemented? Definitely. Delivery has been slow and inconsistent for the past few months, and unfortunately, we can only anticipate that continuing. There is hope that the USPS will get their arms around it and minimize the disruptions in service in 2012. But then we all know that hope is not a good business strategy."

 [Forbes](#): Think about the Post Office's value proposition. They send someone to almost every single home and business in the entire United States 6 days/week on the hope that there will be a demand for their service -- sold at a starting price of 44 cents! Executive compensation is surprisingly low. The CEO makes about \$800,000/year. Competitor CEOs make much more. At Fedex (the Post Office delivers more items every day than Fedex does in a whole year) the CEO made over \$7,400,000, and at UPS (the Post Office delivers more items each week than UPS does annually) the CEO made \$9,500,000. So, despite this remarkable effectiveness, the CEO makes only about 1/10th CEOs of much smaller delivery organizations. The Post Office didn't really do anything wrong. The market shifted. The Post Office value proposition simply isn't as valuable as it once was.

 [Fayetteville Observer](#): The U.S. Postal Service, which faces a genuine fiscal emergency, would generate more sympathy if it brushed up on, of all things, its people skills. Some of the 200 people who attended a Monday hearing at Fayetteville Technical Community College spoke in defense of their jobs or their community. Others questioned the efficiency of shutting down a processing center in a metropolitan area. At least one predicted that it would backfire on the Postal Service by driving business to private competitors.

 [Slate](#): Campaign consultants who specialize in direct mail might not admit it, but some of them are surely thrilled at the latest U.S. Postal Service cutbacks to first-class service. For years, their challenge was getting a quick look from a voter who might also be juggling freshly arrived love letters, holiday cards, or bank statements. It's the next possible step in postal cutbacks, however—to a five-day delivery schedule—that most frightens political mailers. Indeed, the elimination of Saturday delivery threatens to disrupt a golden era for political mail. Even as congressional backing for the U.S. Postal Service wavers, state officials are putting the mail even more at the center of the political process. Mail also remains the preferred vehicle for campaigns looking to reach niche audiences on sensitive topics, like abortion or gay marriage, or hot-button issues where strategists want to use harsher language than would go over well in ads, interviews, or debates.

 [Maine Public Broadcasting Network](#): Maine Sen. Susan Collins says the U.S. Postal Service's plans to change its standards of service will hasten the agency's "death spiral." The USPS said today it's moving forward with a plan aimed at cutting operating costs by \$20 billion by 2015. Under the proposal, the delivery standard for first-class mail within the contiguous U.S. would be slowed to 2-3 days. It's now 1-3 days, according to the USPS website. "Time and time again in the face of more red ink, the Postal Service puts forward ideas that could well accelerate its death spiral," Collins says in a statement. "Closing thousands of rural post offices, eliminating Saturday delivery, and slowing first-class mail delivery could harm many businesses and their customers." The USPS says it's also reviewing nearly half of its mail processing facilities for possible closure. Among those under scrutiny is the processing plant in Hampden, Maine, according to the Postal Service's Maine spokesman Tom Rizzo. The state has one other mail processing facility in Scarborough. Collins says the changes will slow down the mail, forcing more businesses to resort to private firms. "Once these private firms leave the mail system behind, they won't be coming back, and the Postal Service's revenues will suffer yet another blow," Collins says.


 [New York Times](#): The now aborted plan by the Netflix co-founder and chief executive to distance the Netflix brand from its DVD rental business has gone down as one of the year's biggest business blunders. Mr. Hastings has said the company hatched the plan to create a new DVD service called Qwikster out of a desire to move more quickly to the business that he still believes represents the future of Netflix: streaming movies over the Internet. The announcement on Monday by the United States Postal Service that it plans to eliminate next-day delivery for first-class mail could provide another explanation for why Mr. Hastings decided to accelerate Netflix's shift towards streaming.


 [New York Times](#):

- [Maurice McTigue](#): It is the fault of Congress that the U.S.P.S. is in dire financial straits and as long as Congress insists on approving Donahoe's requests, the postal agency will continue down a path to total failure. Congress needs to get out of determining how the organization operates and allow it to act like a real business. The U.S.P.S. needs to be given the authority to make the same decisions every other private-sector business makes -- choosing the location of its assets, closing obsolete post offices, laying off workers and competitively pricing its services. Instead of maintaining its current archaic configuration, the agency should locate its services where people are: grocery stores, malls and pharmacies. As long as Congress continues to maintain the current government controlled quasi-monopoly over postal delivery then the failure of the U.S.P.S. is certain. If Congress were to give the agency the authority to make sound business decisions then it is possible that the organization will be able to restructure itself into a competitive and profitable business. There is simply no chance that a dying Post Office is going to win market share by trying to compete with diminished services and delayed first-class delivery.
- [Steve Hutkins](#): The way to save the Postal Service is to have Congress undo the requirement that postal employees pay \$5 billion a year to pre-fund retiree health care benefits for the next 75 years, return some of the \$75 billion surplus that those workers have paid into their retirement funds, and give the Postal Service the opportunity to expand its products and services — particularly those that will benefit the vast majority of Americans and not just business mailers. And rather than rationalizing the downsizing by pointing to "excess capacity," the Postal Service should reduce its outsourcing to private companies (which now get \$12 billion worth of business). Much of that work could be done by postal employees.
- [Frederic Rolando](#): The first order of business in saving the U.S. Postal Service is to understand what the problem is -- and isn't. The widely reported narrative that the Postal Service is on the brink because it's outmoded, or because of Internet competition, is not sustained by the facts. Want proof? Over the four fiscal years from 2007 to 2010, the Postal Service made a net operational profit delivering the mail of \$611 million – remarkable during the worst recession in 80 years.
- [John Panzar](#): The long-term challenge facing the Postal Service is the secular decline in first-class mail volumes resulting from competition from electronic communication alternatives. This drop in volume causes unit costs to rise, making it impossible for the Postal Service to break even at current rates. Simple economics tells us that there the ways to rectify the situation are to raise rates, reduce costs, or both.
- [Jeffrey Weiss](#): The Postal Service has rightfully identified the need to reduce redundant and excess capacity. Over the past 25 years, the agency has added capacity in anticipation of 300 billion pieces of mail entering the system. Peak volume, however, occurred in 2006 at 265 billion pieces and has since fallen to

165 billion. Right sizing the network to reflect current volume can be done without sacrificing service and must be done in conjunction with reducing excess labor costs.

December 6, 2011

 [Marketplace](#): "Some Businesses Will Feel The Sting From USPS Cuts."

 [A Postal Commentary by Gene Del Polto](#): *Yesterday's letter to the Postmaster General about the exigency case needs some comment, so here it is.*

By now, we've heard just about every theory, excuse, or justification for the continued pendency of the Postal Service's 2010 exigency rate request. The alleged justification for the request, the recession, has come and gone, but the request lives taking on a life of its own that is remarkably divorced from reality.

The purpose of permitting the Postal Service to request larger than CPI postal rate increases is to enable the USPS to remedy a fiscal ill that can't quite be accommodated by the normal course of events envisioned by the authors of the Postal Accountability and Enhancement Act of 2006. The emphasis, here, is on the word *remedy*. When used as a verb, *remedy* is defined as something that is intended to "cure - heal - repair - redress - correct - mend - rectify." In other words, *make better*. According to any dictionary I've ever read, the words "cure," "heal," "mend," or "rectify" do not mean *make worse*.

The reality that no one seems to want to recognize is that imposing a greater than inflation postal rate increase will not cure, heal, mend, or rectify anything. In fact, the consequence of doing so will be quite the opposite. A greater than inflation postal rate increase will drive more volume *and revenue* away from the Postal Service to alternative business communication and transactional channels.

Now, knowing that it would seem to be clear that if the Postal Service does *anything* to precipitate an outflow of volume and revenue without first having in its grasp all of the tools that would need to be used to commensurately reduce the size of the human and physical postal infrastructure (and the attendant costs) to more closely match reduced workload needs would be sheer folly. And does the Postal Service have all of the necessary infrastructure reduction tools within its grasp? Absolutely not!

So, doing something that lessens the revenue base upon which the Postal Service can fund its operations *without* taking effective steps to remove unnecessary costs will serve only to worsen the Postal Service's fiscal challenges -- not rectify them.

And when Congress decided to recast the Postal Rate Commission into the Postal Regulatory Commission, did it actually envision having the PRC do things mindlessly without full consideration of the harm that might be done? I don't think so. The principle that governs good medicine should be at play here: *First, do no harm*.

It's all very disappointing. One can only hope that reason, somehow, will prevail.



DMM Advisory: Proposed Service Standard Changes.


On December 5, the Postal Service™ filed a request with the Postal Regulatory Commission (PRC) for an advisory opinion on proposed changes to mail service standards. The Postal Service also will seek public comment on proposed service standard changes for various mailing services products through a notice in the Federal Register. This action follows the solicitation of public comment on service standard changes previously published on September 15 along with numerous

outreach efforts to the mailing community.

The most significant revisions would eliminate the expectation of overnight service for significant portions of First-Class Mail® and Periodicals; however, there would be an opportunity for mailers who properly prepare and enter mail at the destinating processing facility prior to the day's critical entry time to have their mail delivered the following delivery day. In addition, the 2-day delivery range would be modified to include 3-digit ZIP Code origin-destination pairs that are currently overnight, and the 3-day delivery range also would be expanded.

These revisions would allow for a significant rationalization of the Postal Service's mail processing and transportation networks. The Postal Service is completing the facility reviews using the well-established Area Mail Processing guidelines, which will continue as announced in September.

Supporting documents such as the proposed rule, an illustrative Service Standard Directory (SSD), and illustrative labeling lists are just a few of the requested documents that will be available on the Mailer Information [website](#). By Thursday, December 8, the website (<http://about.usps.com/news/facility-studies/welcome.htm>) and [RIBBS](#) will be updated with documents and links supporting this announcement.


	<p><i>PostCom welcomes its newest member:</i> Williams Lea Marketing Solutions, 4503 Antelope Lane Charlotte, NC 28269-3183 represented by Roger A. Brown, Senior Strategic Sourcing Manager - Postal Affairs.</p>
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At the Postal Regulatory Commission: The Postal Service has filed with the PRC its [Area Mail Processing \(AMP\) Communications Plan](#).




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


 [Infotrends](#): InfoTrends is pleased to announce the completion of a vital study in the digital mailbox services channel. The Emergence of Digital Mailbox Services: Moving Beyond Online Bill Consolidation in the U.S. is designed to help serve the new universal delivery needs of today's connected and tech savvy consumers through digital delivery of critical customer communications, as well as payment, archiving, and other account management tools. Based on an extensive analysis of surveys with over 1,500 consumers; 300 businesses across 8 vertical markets; and in-depth interviews with 25 leading service bureaus, billers, financial institutions, and digital mailbox service providers, InfoTrends estimates that digital mailbox services will deliver 2 billion paperless transactional documents to U.S. consumers in 2015—representing 7% of all transaction documents, 19% of all paperless delivery, and \$323 million in transaction document delivery fees alone. Existing and announced providers in the U.S. today include doxo, Manilla, Volly, and Zumbox—which all enable paperless delivery options of multiple types of critical customer communications, among other services.


 [Save the Post Office](#): A couple of weeks ago, Bloomberg reported that the Postal Service had hired Evercore to "review and advise" the agency on "restructuring." The news was widely reported, but the details were scant, so here's the rest of the story.


 [HeraldNet](#): Clearly, the Postal Service is struggling as the Internet makes communicating and paying bills faster and cheaper. First-class mail volume has dropped by about 20 percent over the past five years, and current volume is projected to fall another 50 percent by 2020. But as an "independent" government agency (meaning, in part, that it must cover its own costs), the Postal Service is handcuffed in how it can respond to changing market conditions. Congress must approve most substantial changes -- the consolidation plan is one of the few steps the Postal Service could take essentially on its own. Against rapid changes in customer preferences, and hot competition from private

delivery companies like Federal Express and UPS, Congress has been unwilling to let the agency do what it must to be competitive.


 [The Street](#): Netflix would seem like the most likely loser in cuts to the U.S. Postal Service. But for all the company's stumbles, it has at least minimized its reliance on the post office (purposely or by accident) in recent months. Netflix has also located DVD shipping centers near postal processing centers, which means the change will probably only add an extra day at most for a vast majority of subscribers.


 [Napa Valley Register](#): The United States Postal Service has announced this week that delivery of its first-class "snail mail" is soon to slow further with the closure of about half of its 500 processing centers around the country. It's bad news for procrastinating bill-payers, lovers of next-day Netflix DVDs, magazines and periodicals, and all things first-class mail. After more than 235 years of service, the U.S. Postal Service needs a new business plan and some innovative ideas. It can no longer compete with the speed of private delivery options like FedEx or UPS. Price remains the post office's No. 1 selling point against its commercial competition.


 [The News Journal](#): A U.S. Postal Service plan to gut its service, offer slower delivery and fewer options for its customers appears to be a plan to make things worse, not better. Better solutions exist, such as allowing the Postal Service to access overpayments made into its pension funds. And the nearly 600,000 postal workers also should pay a greater share of their health benefit. Right now, the Postal Service covers 80 percent of the cost, a higher percentage than other federal agencies. For life insurance, it's 100 percent, compared to about 33 percent for other agencies. Congress needs to pass laws allowing the Postal Service to continue paying its own way, without becoming a drag on federal resources. That means giving it the freedom to offer different kinds of business products that can make the Postal Service relevant again, such as secure digital communications and database management. Cutting and gutting cannot be the sole solution.


 [eCommerceBytes](#): In its latest effort to stave off bankruptcy, the cash-starved U.S. Postal Service announced on Monday that it would move ahead with plans to lower its service standards for First-Class mail. The Postal Service's plight has not gone unnoticed on Capitol Hill, where House and Senate lawmakers from both parties have authored bills that would effect fundamental reforms to the organization's cost structure in an attempt to improve its finances. Sen. Susan Collins (R-Maine), a sponsor of one such measure, blasted the Postal Service's latest proposal, saying that it and other service reductions threaten to "accelerate its death spiral." "Closing thousands of rural post offices, eliminating Saturday delivery and slowing First-Class mail delivery could harm many businesses and their customers," Collins said in an emailed statement. "It would likely force businesses ranging from home-delivery of medicines to newspapers to turn to other, non-postal delivery options. Once these private firms leave the mail system behind, they won't be coming back, and the Postal Service's revenues will suffer yet another blow." Rather than reducing service, Collins and other advocates for reform are pressing for measures that would address the Postal Service's labor costs, which account for about 80 percent of its expenditures.


 [From the Federal Register: Postal Regulatory Commission NOTICES](#) International Mail Contracts , 76201-76202 [2011-31208] [[TEXT](#)] [[PDF](#)]

 [The State Journal-Register](#): John Galer was happy to hear Monday that the impending slowdown of mail by the U.S. Postal Service will have little effect on delivery of the semiweekly and weekly newspapers he publishes in Hillsboro, Raymond and elsewhere in Montgomery, Macoupin, Bond and Madison counties.


 [Associated Press](#): The U.S. Postal Service knows that the facility closings and layoffs it is planning in a bid to cut expenses and make ends meet will anger many Americans, but it is needed for the agency to continue to exist.


 [Multichannel Merchant](#): Four postal associations have asked U.S. Postmaster General Patrick Donahoe to withdraw the U.S. Postal Service's request for a \$2.3 billion exigent postage increase for 2012. The four groups -- The Direct Marketing Association; the Association for Postal Commerce; Alliance of Nonprofit Mailers; and MPA-The Association of Magazine Media -- sent a letter today to Donahoe, saying the request for a \$2.3 billion exigent (above inflation) postage increase would be above the announced inflation-capped postage increases scheduled for Jan. 22, 2012. The letter begins with one word: Perplexed.


 [Bloomberg TV](#): Jim Corridore, an analyst at S&P Capital IQ, talks about possible service cutbacks at the U.S. Postal Service. The agency, which is trying to cut \$20 billion in operating costs by 2015, is seeking to slow mail delivery to help save \$2.1 billion a year. Corridore speaks with Mark Crumpton on Bloomberg Television's "Bottom Line." [[Video](#)]


 [At the Postal Regulatory Commission: Docket No. N2012-1](#): The U.S. Postal Service has filed a request for an Advisory Opinion on Changes in the Nature of Postal Services. Copies of the USPS' testimony in support of its request can be found on the [PRC web site Daily Listing for December 5, 2011](#). Also check out the [PRC press release](#) on the matter.


 [Courier, Express, and Postal Observer](#): Based on the Postal Service's presentations to date on the change in service and the reaction of the mailing community, the Postal Service should face limited opposition to its proposal.

 [National Association of Letter Carriers](#): NALC President Fredric Rolando responded to the Postal Service's announcement that it plans to reduce delivery standards with the following statement. "We are very concerned about the proposal to reduce delivery standards. High-quality service is essential to preserving the value of our networks and to any future growth strategy. Degrading standards not only hurts the public and the businesses we serve, it's also counter-productive for the Postal Service because it will drive more people away from using the mail. Changes in service need to be part of a coherent business plan that takes advantage of new opportunities, such as delivering the items people increasingly order online. We urge the Postal Regulatory Commission to review the proposal carefully and act to protect the long-term viability of America's Postal Service."

 [Advertising Age](#): It's tough enough for weekly magazines to stay timely when TV and the web churn out news constantly. Now the Postal Service wants to eliminate Saturday deliveries, exacerbating the lag between many weeklies and their readers. Many weekly magazines deliberately try to reach subscribers in time for the weekend, when there's more time for reading—and shopping trips that might wind up reflecting advertisers' suggestions. Losing Saturday would delay many copies until Monday, when the competition for time and attention is stiffer.

 [The Hill](#): Rep. Peter DeFazio (D-Ore.) on Monday afternoon called on the the Obama administration to fire Postmaster General Patrick Donahoe in light of Donahoe's announced plan for drastic service reductions at the U.S. Postal Service (USPS). "This guy, this so-called postmaster general, should be fired because of a lack of any imagination or initiative," an angry DeFazio said on the House floor. "He's proposing the death knell for the great United States Postal Service." DeFazio blamed the Obama administration for failing to help find a way out of the USPS's fiscal woes, and said Donahoe needs more help from the White House. "The White House continues to be totally silent, absent from this debate," he said. DeFazio also blamed House Republicans for rejecting proposals that would allow the USPS to take back some of the \$7 billion in retirement payments it was required to make under current law for the future retirements benefits of current employees.

 [Marketplace.org](#): Today, the United States Postal Service laid out the cost-cutting plan pretty much everyone knew was coming. The post office is just about this close to bankruptcy, so it wants to close more than 200 mail-processing facilities across the country. It wants to do away with next-day delivery of first-class mail. And it wants to lay off 30,000 people, provided it can convince regulators to let it do that. In all, it would amount to about \$3 billion in savings. But with e-mail and online banking all the other trimmings of digital life, what's the hope for snail mail, anyway? Gene Del Polito is president of the Association for Postal Commerce, a group that represents companies that use the mail to do business. "The fact of the matter is, the Postal Service still carries each year 140 billion pieces of mail. The amount of first-class mail -- letters and postcards -- has been on the decline. But millions of Americans still rely on the Postal Service to get movies, medicine, contact lenses, heartworm pills. In the future, it may take an extra day or two to get the product, but it's still convenient and relatively cheap."

 [GoErie.com](#): U.S. Sen. Bob Casey wants the U.S. Postal Service to "carefully consider" a proposal to shutter the Erie region's only mail-processing facility on East 38th Street because it would eliminate 120 jobs and hurt Erie's economy. "Consolidating this facility would have a significant impact that should be taken into consideration when making these decisions," Casey, D-Pa., said in a letter sent today to Postmaster General Patrick R. Donahue.

[Newsworks](#): Faced with financial losses in the billions, the U.S. Postal Service is moving forward with changes to its First Class Mail service. Senator Tom Carper (D-Del) chairs the subcommittee that oversees the U.S. Postal Service. He fears these measures could backfire, driving even more business online.

[Post & Parcel](#): Some more of the latest news from the postal world, including a feedback-by-mail system in Brazil, local government deal for Poste Italiane and customs policy change in Norway.

[CNN](#): Back when our nation was founded, mail was delivered on horseback. Average speed, around four miles an hour. So for Thomas Jefferson to get a first-class letter or a newspaper (which is a large number of stories printed on a bulky collection of paper) from, say, Philadelphia to his wife, Martha, back home in Monticello, Virginia, took roughly two to five days. And soon, if the Postal Service's new proposal is accepted, if you live in, say, Philadelphia, and want to send a first-class letter to a friend in Monticello, Virginia, it will take about two to five days. Brand new age. Same old speed.

[The State Column](#): Congressman Dennis Kucinich (D-OH), a long-time supporter of the United States Postal Service (USPS) and senior member of the Congressional committee which oversees the agency, today released the following statement after plans were announced to significantly degrade service and drive customers to private competitors.

[Mashable Business](#): The U.S. Postal Service announced Monday that it will begin cutting first-class mail services in March 2012. By shutting down processing facilities throughout the country and potentially eliminating Saturday deliveries altogether, the USPS hopes to save billions of dollars by 2015. Where does that leave USPS-dependent services like Netflix and GameFly?

[KLCC](#): The US Postal Service is moving forward with plans to close 252 processing facilities, end next-day mail service, and restrict service to rural areas. In a House speech, Oregon's Congressman Peter DeFazio [today] Monday blasted the Postmaster General for the move. More than 28 thousand people could lose their jobs. Peter DeFazio: "This is an incredible blow to our economy. They are talking about closing processing centers. Let me just be specific. In my area, they are talking about closing the Eugene-Springfield processing center. That means if I mail a letter from Springfield to Eugene, which is six or seven miles away, it will be carried by truck to Portland, Oregon and sorted there and trucked back down, sometime, that week."

[NewsOn6](#): The US Postal Service decided to close more than 250 mail processing centers across the country. The move will eliminate 28,000 jobs. We won't know until the end of the month if Tulsa's mail distribution center would close. In Oologah, the newspaper's office is in the heart of downtown. These pages -- the heartbeats of a community. The Oologah post office across the street delivers to most subscribers. But readers who live in Owasso, Nowata and other outlying towns -- their papers go through the distribution center in Tulsa. It's a facility in limbo -- in danger of being consolidated into the Oklahoma City center.

[The Atlantic](#): Neither snow, nor rain, nor heat, nor gloom of night will keep your postman from delivering that Mad Men DVD you've been waiting for. But legacy labor costs and the disruptive force of the Internet? Yeah, that'll do it. The Postal Service is in shambles. How did it come to this? The culprits include the internet, labor expenses, and, as with pretty much every problem our country faces now, Congress.

[Associated Press](#): Utility bills are paid, legal briefs are filed and the Christmas shopping all gets done online. But for magazines, clothing catalogues and movies, the mail still matters. For some mail-dependent businesses, quick and cheap first-class mail service from the U.S. Postal Service is still the best way to reach prospective customers and subscribers. And for many, it's still an important way to get paid. "It's less of a disaster than it would have been 10 years ago, but it'll be a cash flow crunch for some companies," said Todd McCracken, president and chief executive of the National Small Business Association. "It'll be longer to get your invoice, and longer to get a check back."

[American Postal Workers Union](#): "The Postal Service plan will hasten the demise of the USPS," APWU President Cliff Guffey said in response to the agency's announcement that it would seek an advisory opinion from

the Postal Regulatory Commission on plans to eliminate next-day delivery of first-class mail and periodicals. "The USPS should be modernizing and striving to remain relevant in the digital age, not reducing service to the American people," he said. "Degrading service is a direct consequence of Postal Service plans to eliminate half of its mail processing centers," said Guffey. "Dismantling the Postal Service's processing and distribution network will devastate mail service, damage the economy, and drive customers away," Guffey said. "The USPS network is still a vital part of the nation's infrastructure and destroying it will hurt, not help, the Postal Service."

December 5, 2011



[Letter to the PMG](#): *The following has been sent by the Alliance of Nonprofit Mailers, the Association for Postal Commerce, the Direct Marketing Association, and the Association of Magazine Media to the Postmaster General of the United States regarding the Postal Service's decision to move forward with a postal exigency request.*

We are perplexed. In your presentations to the mailing community in recent months, we have heard you say repeatedly that you do not want an exigent price increase; an exigent increase will not occur; and mailers should budget for 2012 price increases at the CPI level, because a larger increase would be self-defeating due to its negative effects on mail volume. Simultaneously, however, the Postal Service has continued to file pleadings and signed statements with the Postal Regulatory Commission in Docket No. R2010-4 claiming that the Service still seeks a \$2.3 billion exigent increase.

Under the current circumstances, the only prudent course for mailers is to assume that the Postal Service is still seeking Commission approval of an exigent rate increase in this docket, and that an increase approved by the Commission may very well be implemented by the Board of Governors. As long as the Postal Service's exigent increase request remains in active litigation, the Commission must consider the request and issue a decision on it. Moreover, if the Commission ultimately authorizes any part of the requested increase, any portion of the authorized increase not implemented by the Postal Service could still end up as banked rate authority—rate authority that would force your customers to plan for above-CPI postage increases for the next five years, and adjust their mailing plans accordingly.

For these reasons, the mailing industry must continue to oppose the exigent rate request as long as it remains pending before the Commission. The resulting litigation will force both the Postal Service and the mailing community to divert precious time, energy, and resources to litigating an increase that you profess not to want – time, energy, and resources that would be far better deployed constructively collaborating to solve the Postal Service's financial problems and pushing for Congressional action in our common interest. Further, the continuing pendency of this litigation—and the mere possibility that mailers may face an above-CPI rate increase in 2012 or 2013—has cast a pall of uncertainty over the industry's budgeting and mailing plans. This business uncertainty almost certainly will cost the Postal Service mail volume and revenue.

These harmful consequences can be easily avoided. If you do not want an exigent increase and you do not want mailers to plan for one, withdraw the case. Actions speak louder than words.


Unless and until the Postal Service publicly withdraws its formal request for Commission approval of exigent rate increases, mailers must assume that the Postal Service is serious about seeking them. For the good of the Postal Service and the mailing community, we urge you to pull the exigent request.




[Sen. Thomas Carper](#): *– Today, U.S. Sen. Tom Carper (D-Del.) Chairman of the Senate subcommittee that oversees the U.S. Postal Service, released the following statement on the U.S. Postal Service's announcement regarding an estimated \$3 billion reduction to operating costs:*

"Today's announcement is another grim reminder that we must act quickly if we want to save the Postal Service and the eight million jobs that rely on it. Although we've made some progress in

moving postal reform bills forward in the House and Senate, we still have a lot of work that needs to be done in order to find a comprehensive solution to the Postal Service's serious financial problems. In the absence of assistance from Congress and the Administration, the Postal Service has been forced to take matters into their own hands and try to modernize their business model with the limited tools and resources available to them. This situation is less than ideal. The few measures that the Postal Service can adopt on its own – such as closing distribution centers and slowing down first-class mail delivery times – to extend its survival and avoid insolvency will also potentially further erode its declining business. Make no mistake, this situation is dire, but it is not hopeless. My colleagues Sens. Lieberman (ID-CT), Collins (R-ME), and Brown (R-MA) and I have joined together to introduce the only comprehensive postal reform bill that is bipartisan – the 21st Century Postal Service Act (S.1789). We need to a comprehensive reform bill as soon as possible. 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."

 **PRNewswire:** IWCO Direct, a leading national provider of direct marketing solutions, announced it has purchased a portion of the assets of DGI Services, LLC. DGI Services is a fully integrated direct marketing services provider headquartered in Swedesboro, N.J. with an additional location in Cerritos, Calif. IWCO Direct will transition the acquired assets to its existing locations in California, Minnesota and Pennsylvania. The acquisition will advance IWCO Direct's strategic capital investment plan and allow the company to offer its customers the broadest range of direct marketing services.

 **The Woonsocket Call:** "Postal union honors man who tried to keep office open."



[OIG Releases Semi-Annual Report to Congress:](#) As the foundation of a \$1 trillion mailing industry with more than \$66 billion of its own in annual revenues, more retail outlets than three of the most ubiquitous companies combined, and 557,000 employees, the U.S. Postal Service makes for a


compelling story. When the fate of this national infrastructure is threatened by record losses, burdensome federal benefits payments, and in need of an updated business model, the story is undeniably significant. The Office of Inspector General's just-released Semiannual Report to Congress (SARC) tells this story, focusing on the challenges facing the Postal Service, the possible solutions, and its opportunities for success. Pulling from its ongoing work, the OIG report considers ways the Postal Service could make the necessary improvements to remain a valuable communications infrastructure, in particular around financial management, optimization, simplification, and innovation. The report also cites opportunities for the Postal Service to gain traction in a fast-changing digital market.


The U.S. Postal Service Office of Inspector General invites you to comment on **21st Century Post Office: Opportunities to Share Excess Resources**. During our national facility optimization audit, we projected the U.S. Postal Service has about 67 million square feet of excess facility space nationwide. Recent audits have disclosed there are also unmanned or underused windows as well as more workhours at retail facilities than needed. Are there opportunities for the Postal Service to partner with government agencies or with private sector firms to offer services at Postal Service facilities? Why or why not? Share your thoughts on our [blog](#).


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


- **[Foreign Post Settlement – 12RG016EN000](#)**. The Foreign Post Settlement (FPS) system was deployed in January 2011 and has never been audited. The FPS reflects the Postal Service's vision to automate international accounts settlements. The Postal Service developed the FPS to implement accurate and effective automated accruals and settlement processes, improve the efficiency of billing processes and accounts receivables management with reduced manual interventions, and allow flexibility in meeting future business needs. FPS migrated from Global Business Finance to Corporate Finance at the end of the


last fiscal year (FY11). There has also been substantial turnover in key Global Business System personnel which impacts institutional knowledge of how interrelated international mail systems are to operate.

 [Politico](#): According to Postal Service board chairman Thurgood Marshall Jr., "Of all the challenges Democrats will face in the 2012 election, few are insurmountable. Unemployment is still too high. But an electorate convinced the nation is headed in the right direction - as last month's employment numbers indicated - will reward the incumbent president. Washington may appear dysfunctional. But the congressional Republican leadership seems to be getting the greater share of the blame - as its dismal approval ratings show. But barring some guarantee that independent and moderate voters will remember that when they enter the voting booth, Democrats need to focus on one thing: ensuring that no one mislabels them as the party that wants to bring back Big Government.

 [CBSNews](#): Michele Bachmann tells America that the Postal Service remains wedded to higher labor costs.


 [Save the Post Office](#): On Friday the White House announced that President Obama was nominating Tony Hammond as the fifth commissioner on the Postal Regulatory Commission (PRC). No offense to Mr. Hammond, but that's probably not good news for communities trying to save their post office or processing plant, and it's not good news for postal workers either.


 [Louisville Morning Call](#): Kentucky lawmakers are paying close attention to a plan that might result in the closure of a U.S. Postal Service processing center in Lexington and the loss of more than 300 jobs in the city. The Postal Service is proposing moving the work to processing centers in Louisville and in Knoxville, Ky., which would add jobs at those facilities.


 [Associated Press](#): Unprecedented cuts by the cash-strapped U.S. Postal Service will slow first-class delivery next spring and, for the first time in 40 years, eliminate the chance for stamped letters to arrive the next day. The estimated \$3 billion in reductions, to be announced in broader detail later Monday, are part of a wide-ranging effort by the Postal Service to quickly trim costs and avert bankruptcy. They could slow everything from check payments to Netflix's DVDs-by-mail, add costs to mail-order prescription drugs, and threaten the existence of newspapers and time-sensitive magazines delivered by postal carrier to far-flung suburban and rural communities.


 [Truckinginfo](#): FedEx Corp will raise rates for FedEx Ground and FedEx Home Delivery by a net average 4.9% next year, matching the 2011 increase.


December 4, 2011


 [Financial Times](#): Email may be killing the traditional paper-and-ink letter but Deutsche Post DHL, Germany's privatised post office, now believes the internet will bring it more joy than sorrow, especially around Christmas. While a wire can carry words, it cannot – at least just yet – deliver presents, food or drink. Deutsche Post says letter volumes will decline by an annual 2-3 per cent in coming years, but expects its domestic parcels business to thrive as big investments in sorting machines and services persuade more people to buy on the internet – and online vendors to use Deutsche Post for shipping.


 [Reuters](#): A combination of brisk online orders for items from tablet computers to Omaha Steaks and thinly stocked shelves at conventional stores is lending a fresh dose of holiday cheer for shippers United Parcel Service and FedEx. Blockbuster sales on Black Friday and Cyber Monday largely exceeded analyst expectations, raising the likelihood that the two largest package delivery companies will notch record delivery volumes during the 2011 holiday season. Analysts will now keep a close eye on whether an expected late-season rush to grab new discounts in the final days before Christmas lifts UPS and FedEx above their expectations for the season.


 [The Malay Mail](#): While traditional postal revenues are on the decline globally, Pos Malaysia Bhd believes it can tap into its key strengths to actually grow its revenues by giving more focus to an area that remains relatively untapped - direct mailers. Pos Malaysia group managing director and chief executive officer Datuk Syed Faisal Albar said: "In the UK, US and Singapore, the direct mail market is thriving.

 [Fairbanks Daily News-Miner](#): Alaska's congressional delegation is pushing back against a recent federal report that criticized the bypass mail program in the state, firing off a response Friday that said many of the report's statements and details are "inaccurate, incomplete or are not well-considered." A letter to U.S. Postal Service Inspector General David Williams requests more analysis of nine "questionable claims" in the bypass mail report, which was issued on Nov. 28. The report by Williams, who serves as a watchdog for the Postal Service, said the bypass mail system has grown beyond its original purpose and is badly in need of reform.


 [Skynews](#): Postal workers are being warned to be careful over gifts and tips from customers this Christmas amid concerns about bribery charges. An article on the Royal Mail's web site warns staff: "It's the season of goodwill. But it's important to be careful about accepting gifts so you don't fall foul of the Bribery Act." The article then tells employees that they must not accept money or presents worth more than £30 from the more generous customers on their round.

 [CBS6Albany](#): The United States Postal Service will soon close the doors of a dozen capital region post offices. CBS 6 has obtained a copy of a letter sent to management officials in the Albany district to inform them of the decision to close the following locations: Clemons, Brainard, Knoxboro, Middleville, De Peyster, Delphi Falls, Franklin Springs, Keene Valley, Mt. Vision, Peterboro, Poplar Bridge and Sabael. All of the locations are slated to cease operations on Saturday, January 7, 2012.

 [eMailWire](#): With a growing number of businesses in the United Kingdom failing to post impressive sales figures in recent months, it makes sense for every commercial enterprise to investigate all the cost-cutting options they may have at their disposal. In some cases, that can mean reducing salaries or consolidating logistical systems, but the innovators at TNT Post have a range of products which can help in the ongoing battle to stay one step ahead of the competition. One of the major areas of expenditure for many companies is postage, especially for organisations which send out large quantities of items such as newsletters, brochures and membership updates. Thankfully for them, they can save significant sums of money by signing up to a hybrid mail option with TNT Post. This highly efficient system enables subscribers to spend far less without cutting back on their interaction with customers.

 [New York Times](#): The fact is that the primary beneficiary of the United States Postal Service today is arguably the advertisers whose leaflets and catalogs flood our mailboxes. In fact, to compensate for projected declines in "real" mail, the Postal Service has been aggressively promoting the use of new services for advertisers like Every Door Direct, which allows local retailers to place unaddressed promotional material in every mailbox in an area for pennies a piece, with a few clicks of a mouse. But to cover its costs, the post office needs to keep mail volume high. And even some high-end direct mailers worry that the contents of American mailboxes are coming to resemble a paper infomercial. "The post office has to make sure the signal-to-noise ratio remains high — if TV was all commercials no one would watch," said Hamilton Davison, executive director of the American Catalog Mailers Association.

December 3, 2011

 [White House](#): President Barack Obama has announced his intent to nominate the following individuals to key Administration posts: **Tony Hammond, Nominee for Commissioner, Postal Regulatory Commission.** Tony Hammond served on the Postal Regulatory Commission and its predecessor agency, the Postal Rate Commission, from August 2002 to October 2011. During that time, he was elected to two separate terms as Vice Chairman of the Commissions. Previously, Mr. Hammond was owner and managing member of T. Hammond Company, LLC, a private consulting firm. In addition, he was Senior Vice President of the direct marketing firm FL&S, and Senior Consultant to Forbes 2000, Inc. Mr. Hammond served for ten years on the staff of then-Southwest Missouri Congressman Gene Taylor, the ranking member of the House Post Office and Civil Service Committee. Mr. Hammond received a B.S. from Missouri State University


 [From the Federal Register](#): **Postal Service RULES** International Product and Price Changes , 75786–75794 [2011–31079] [[TEXT](#)] [[PDF](#)]


December 2, 2011





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


- As has become his regular practice, Postmaster General Patrick Donahoe spent time with the Mailers Technical Advisory Committee (MTAC) earlier this week, discussing key issues with the group such as legislation, service and the exigency case.
- Postal officials at this week's Mailers Technical Advisory Committee (MTAC) meeting announced that the USPS on December 5, 2011, will file with the Postal Regulatory Commission (PRC) its request for advisory opinion concerning proposed changes to service standards and network optimization, as well as publishing its proposed rules in the *Federal Register*. The USPS indicated the proposed rules will have a 60-day comment period.
- USPS chief operating officer and executive vice president Megan Brennan this week told MTAC meeting attendees that the USPS' Quarter 1 FY 2012 service performance was "unacceptable." Brennan said that the USPS is aware of where the bottlenecks are occurring and is talking to customers as well as tracking its own diagnostic service performance data and making improvements in processes to address the issues. Brennan cautioned that FY 2012 will be a dynamic and fluid environment as the USPS continues to deal with volume trends, transforming its infrastructure through network optimization, stabilizing its Flats Sequencing System (FSS) processing operations, better deals with Mail Transport Equipment (MTE) supply and demand issues, and monitors and improves service performance.
- A hot topic at this week's Mailers Technical Advisory Committee (MTAC) meeting was the USPS' announcement that it will no longer process mail based on mailer requested in-home dates (RIHDs). For years, many mailers have printed a requested in-home delivery date on the mailpiece or bundle and the USPS has honored those requests to the extent they do not conflict with the applicable service standards. The USPS this week announced it will process mail based on critical entry times, entry location, mail type, and applicable service standards – not requested in-home dates.
- The Postal Service published its unaudited October results with the Postal Regulatory Commission. USPS lost \$139 million in October 2011. The Postal Service's controllable operating income for the month was \$112 million.
- Attendees of this week's Mailers Technical Advisory Committee (MTAC) general session heard industry leaders provide a "pulse of the industry" on issues of concern within the various mail categories.
- The USPS this week at the Mailers Technical Advisory Committee (MTAC) meeting announced a policy change which would limit attendance at the quarterly MTAC general session meetings to MTAC members and approved invited guests. In a postal perspective article, postal consultant Kathy Siviter expresses disappointment with the USPS' policy change.
- The Association for Postal Commerce (PostCom) on November 23, 2011, submitted its comments on the USPS' proposed changes to mailing standards in support of its January 22, 2012, market dominant products pricing change. PostCom largely asked the USPS to clarify some of the proposed rules so that mailers can better assess the impact of the changes and prepare for the January 2012 pricing changes.
- USPS releases 2011 mobile barcode promotion program report. Postal Service email would raise too many doubts. PRC seeks peak load cost modeling. 38 execs earn more than cabinet members. Overhauling the Post Office for the 21st century. USPS costing system update. USPS execs update strategy. EMA recognizes key MTAC staffer. In the latest postal bulletin. Senate postal reform bill needs a new title. FSM final rules published. MTAC elects new industry leaders.
- 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


 The [Congressional Budget Office](#) (CBO) has scored H.R. 2309. It estimates that enacting the bill would result in off-budget savings total \$26.2 billion and on-budget costs of \$7.7 billion over the 2012-2021 period. (USPS cash flows are recorded in the federal budget in the Postal Service Fund and are classified off-budget, while the cash flows of the PSRHF and CSRDF are on-budget). CBO estimates that net savings to the unified budget would be \$18.5 billion over the 2012-2021 period.

 **Postal Bulletin:** Be sure to read the most recent issue of the [Postal Bulletin](#). The Postal Service has provided "updates" on several of its programs. This is important information you will want to have.

 **Post & Parcel:** US Postal Service executives resolved to fix problems in their periodicals processing yesterday, as mailers pressed their concerns about significant delays. On-time performance levels for one-to-two day periodicals delivery have slumped to as low as 44% this year as USPS expanded its use of automated flats sequencing systems (FSS) as a way of improving efficiency in processing flats immediately prior to delivery.


 **Economic Times:** China's post office is hoping to boost business by allowing customers to send letters postmarked from space. Emails will be sent to a computer aboard Tiangong-1, a spacecraft currently orbiting the earth, and rerouted to a special China Space Post Office branch on the ground in Beijing, the country's space programme said on its website. The emails will then be printed, placed in space-themed envelopes, stamped with a new galactic postmark and sent on in the mail. The gimmick, which features China's first astronaut, Yang Liwei, as head of a so-called "space post office", is the latest initiative devised by the postal service to drum up business as more and more Chinese go online.


 **Zawya:** Emirates Post will begin delivering mail at doorsteps from early next month starting with Dubai, sources said. The sole provider of postal services in the UAE, Emirates Post will initially start delivering posts in Mirdif and Arabian Ranches areas of Dubai from the first week of December.


 **Anchorage Daily News:** The US Postal Service's inspector general says the bypass mail system now in the works won't stand. Bypass mail allows shipping and package service throughout Bush Alaska that individuals and small companies could never afford if they had to pay the freight. So while the Alaska delegation in D.C. has been fighting to maintain Alaska programs -- there will be a battle over bypass mail -- both Sens. Begich and Murkowski have been warning Alaskans to brace for cuts. Just how tough a reckoning this will be is uncertain. Bypass mail is under ever-tighter scrutiny, and the USPS inspector general simply says the mailman can't afford to pick up a \$70-million-a-year loss on the service. Murkowski and Begich can argue for the principle of universal service, and it's a good argument. But if the inspector general can make the case that the system as it stands is more sweet deal for commercial interests than square deal for individual citizens, then Murkowski, Begich and Young will have a tough sell. At the very least, the postal service and supporters in Congress will want a way to deliver to village Alaska for less. We'd still point out, however, that the onerous requirement to fund retiree health benefits for 75 years into the future is a burden counted in the billions, shared by no other outfit private or public and far costlier to the postal service than Alaska's bypass mail.

 **From the Federal Register: Postal Service**


- **RULES:** Express Mail Domestic Postage Refund Policy and Waiver of Signature , 75461–75464 [2011–30974] [[TEXT](#)] [[PDF](#)]
- **NOTICES:** Change in Rates and Classes of General Applicability for Competitive Products , 75662–75734 [2011–30789] [[TEXT](#)] [[PDF](#)]


 **Ramona Sentinel:** The postal service is on life support and, without a heart transplant and forward thinking, the post office will soon be extinct.


 **Postalnews Blog:** It appears that the US Postal Service will be restricting attendance at its Mailers' Technical Advisory Committee meetings to industry insiders. Why keep the meetings private? Apparently to avoid the prying eyes (and ears) of regulators and legislators.

 **Postalnews Blog:** The House of Representatives passed bi-partisan legislation supported by the APWU to update benefits for injured federal and postal workers on Nov. 29. Introduced in the House by Education and the Workforce Committee Chairman John Kline (R-MN), the bill was co-sponsored by Ranking Minority Member George Miller (D-CA), Rep. Tim Walberg (R-MI), and Rep. Lynn Woolsey (D-CA), and was approved by a voice vote. Speaking on the House floor during consideration of the bill, Rep. Woolsey criticized the approach taken in a Senate and

House committee during consideration of the 21 st Century Postal Service Act of 2011 (S. 1789), and the Postal Reform Act of 2011 (H.R. 2309), respectively.

 [Wall Street Journal](#): Google Inc. is aiming to challenge the e-commerce supremacy of Amazon.com Inc. by diving deeper into the fast-growing world of Internet retailing. In the past year, Google has begun challenging Amazon by selling digital media, including books, directly to consumers. Amazon has taken advantage of its gains to become a big seller of online advertising, encroaching on Google, which is the No. 1 seller of online ads on its search engine and millions of other sites. Google hopes the quick-shipping service will attract more consumers to its product-search service, increasing the revenue it gets from product-related ads on the search site, according to people familiar with the matter.


 [Cato @ Liberty](#): The Senate will soon consider a postal reform bill that is supposed to save the USPS: "The 21st Century Postal Service Act of 2011." That's a mighty peculiar title considering that the legislation would keep the U.S. Postal Service stuck in the 20th century. The bottom line is that the bill does nothing to alleviate the USPS from the burden of congressional micromanagement. In the long term, either the USPS is going to be privatized or it's going to go back to relying on taxpayer subsidies. Fortunately, a taxpayer bailout is off the table for now. However, taxpayers might not be so lucky the next time Congress steps in to "fix" a mess that is largely of its own doing. In fact, the continuing failure to think outside the box, which the Senate bill is a perfect example of, only increases the likelihood of government mail going on the dole.


 [Supply Chain Digital](#): Largely overshadowed in North America, DHL Express is looking to make some noise to rival incumbents FedEx and United Parcel Service. With a leg up in a growing Latin American market, the company may have found the right foot in the right door to experience huge growth.


December 1, 2011

 [From the Federal Register](#): **Postal Service**


- *RULES* Folded Self-Mailers and Unenveloped Mailpieces , 74704–74708 [2011–30879] [[TEXT](#)] [[PDF](#)]
- *PROPOSED RULES* Authority to Manufacture and Distribute Postage Evidencing Systems , 74753–74755 [2011–30876] [[TEXT](#)] [[PDF](#)]


 [Courier, Express, and Postal Observer](#): Yesterday at MTAC, The Postal Service announced that it will begin beta-testing parcel lockers with a brandname gopost in Northern Virginia on December 6. The beta test will include 25 sites when it goes live. When the test begins, the Postal Service joins Amazon in testing parcel lockers for delivering parcels to individual consumers. The Postal Service's gopost lockers differ from Amazon's in two ways . First, they are designed to accept parcels as well as deliver them. It is unclear from the picture if gopost will allow customers to pay for a parcel and print a shipping label like PackStations do for Deutsche Post's (DHL's) customers. Second, gopost should offer an open locker solution for any e-tailer trying to send parcels to customers. Amazon's lockers are proprietary and only Amazon and Amazon fulfilment shippers can use them. Gopost lockers give the Postal Service an opportunity to expand its parcel delivery business with customers that now use FedEx or United Parcel Service for higher-value small parcels like cell phones, tablets and laptops. The lockers offer the security at least as good as the receipt signature that shippers of higher-value small parcels demand.


 [Multichannel Merchant](#): The U.S. Postal Service's First-Class Package Service rates might be the "biggest bargain" in the shipping business, even with an average increase of 3.7%, according to Rob Martinez, president/CEO of Shipware.

 [Washington Times](#): A program that began nearly 40 years ago as a way to get crucial goods to remote Alaskan communities now delivers big profits to airlines and private merchants while costing the U.S. Postal Service tens of millions of dollars, according to a postal watchdog. However, the findings drew sharp criticism from Alaska's U.S. Sens. Mark Begich, a Democrat, and Lisa Murkowski, a Republican. "I am more than a little concerned about the report," Ms. Murkowski said in a phone interview. "There are a number of statements that are either inaccurate or

simply not well-considered." She said it's unfair to criticize the payment of Parcel Post instead of Priority Mail rates because deliveries often have to be made by air since there are no roads connecting many communities. In an email, Mr. Begich agreed, calling the report "out of touch with the needs of Alaskans."

 [Direct Marketing News](#): More than 20% of emails sent during the first six months of 2011 were opened on mobile devices, according to a study released by email service provider Knotice on Nov. 30. The study found that since the fourth quarter of last year, mobile's share of email open rates increased by 51%.

 [Sartori Software](#): The UK's postal service has managed to turn around its finances in the past year, and is on track to continue reducing its annual losses. Royal Mail reported losses of just £41 million in the six month-period ending on September 30, a drop from the £55 million loss it experienced over the same time span last year. The agency said its "tight cost control and price increases introduced last spring" were the reason for the positive change.

 [Post & Parcel](#): DHL Express will be increasing its prices in the United States by 5.9% from the New Year. The increase is effective January 1, covering the international express service provider's export and import services. However, the price increase will be partially offset by a 2% reduction in the company's fuel surcharge. In a statement, the company owned by Deutsche Post DHL said its annual price rise took into account inflation and rising network costs for providing its air express services.