



**Association for Postal Commerce**

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

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

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***Postal News for December 2015***

***December 31, 2015***

**POSTAL/FEDERAL NEWS**

***USPS Industry Alert: Labeling List Errors found in L009 for 1/1/2016 effective date*** The L009 list that was published on December 4, 2015 for the January 1, 2016 effective date was missing the following ZIP codes: 864, 889-891, 893-895, 897, 961, 967-969. For mailers originating within these ZIP codes, this may create an incorrect label for MXD outgoing mail labels. The ZIP codes have been added back into the L009 as they were in previous versions of the list. This update will be included in the L009 that will be published on January 1st for the February 1, 2016 effective date. Mailer software that is currently using the January 1st effective data set should be updated for these ZIP codes. The correct data is as follows:

<b>Column A Originating 3-Digit ZIP Code</b>	<b>Column B Label To</b>
864, 889-891, 893-895, 897, 961	MXD LAS VEGAS NV 890
967-969	MXD HONOLULU HI 967

The Postal Service will accept mail that is labeled incorrectly as a result of this error at the impacted origins until February 1, 2016. The Postal Service will re-label the mail upon acceptance and continue to process the mail as it currently does for MXD LAS VEGAS 890 and MXD HONOLULU HI 967.

***Mailers Technical Advisory Committee: ENTERPRISE ANALYTICS AND DATA USAGE FOCUS SESSION WEBINAR Thursday, January 7, 2016 from 11:00 a.m. – Noon (EST)*** The Enterprise Analytics and Data Usage Focus Group will host a webinar for MTAC members that will include updates normally given during the focus group meetings at MTAC. Covering these topics in advance of MTAC week will allow time to share new opportunities and have more robust discussion on topics of interest at the face-to-face focus group meeting. Agenda topics will include: · Service Performance Measurement · Package Services · Address Management Updates  
Registration Required. Instructions for participating in the webinar appear below: Attendee Information US/Canada  
Attendee Dial-in: (866) 381-9870 Conference ID: 18351375 Attendee Direct URL:  
<https://usps.webex.com/usps/onstage/g.php?MTID=e3753fd06d117cd33afb2d191cea86d96>

***USPS Industry Alert:*** With the recent significant rainfall and winter weather, major flooding along the Mississippi, Illinois, Ohio, Missouri, Arkansas and Meramec rivers is forecast. While the smaller tributaries of the Mississippi will crest quickly, the larger tributaries and the Mississippi itself will take an extended period of time to crest and then fall below flood stage. The Postal Service is continuing to monitor the situation and will post **updates on the**

**USPS Service Alerts** page accessed through [www.usps.com](http://www.usps.com) and <https://ribbs.usps.gov/>. [EdNote: This information can change quickly, so please consult the usps.com and ribbs.usps.gov web sites for the latest information.]

## NATIONAL NEWS

**Town Hall:** Beware! The privatization monster is on the loose again. Yes, there are cranks in the comments section of various Web sites that call for the Postal Service to be privatized. But most people realize delivering the mail is a constitutionally required function of government. They just want it to work properly. But there is something out there called The Grand Alliance to Save Our Public Postal Service that claims to want to save the Postal Service but in fact cares little how many weeks it takes to deliver your mail as long as it eventually is delivered by an overpaid unionized postal worker. The straw men are shooting up like corn stalks in Iowa in the summer. The narrative goes like this: Congress wants to privatize the Post Office so it can deliver the business to its well-heeled contributors without regard to the service needs of Americans. So it enacts rules that handcuff the Postal Service financially. And when the Postal Service goes broke, the oligarchs will get their wish. The solution, according to this narrative, is to involve the Postal Service in even more businesses that don't have anything to do with its constitutionally stated mission to deliver first-class mail. Banking. Packages. Grocery delivery. Inventory management. Those side business won't make your mail arrive on time. They certainly won't lower costs. But they will mean more jobs for the members of the American Postal Workers Union who are pushing this Grand Alliance.

**Daily Caller:** As of earlier this month, the U.S. Postal Service no longer has a Board of Governors. It's now just a Board of Governor – or simply a governor. The board has not had anyone approved since 2010 and has not been able to field a quorum since 2014, when it dropped to just three confirmed members. It has been operating under a “temporary emergency committee” since – with Chairman Bilbray, Postmaster Brennan and deputy Stroman as the only remaining members. no private business could get away operating with a one-person board – its investors would demand the positions be filled. And the Postal Service particularly needs the oversight in light of recent decisions.

*December 30, 2015*

## POSTAL/FEDERAL NEWS

### *Federal Register:*

Postal Service	
NOTICES	
Product Changes:	
	Priority Mail Negotiated Service Agreement ,
	81561 [2015–32841] <a href="#">[TEXT]</a> <a href="#">[PDF]</a>
	81562 [2015–32842] <a href="#">[TEXT]</a> <a href="#">[PDF]</a>
	81562 [2015–32843] <a href="#">[TEXT]</a> <a href="#">[PDF]</a>
	81561 [2015–32844] <a href="#">[TEXT]</a> <a href="#">[PDF]</a>

### *Postal Regulatory Commission:*

- **ACR2015 United States Postal Service FY 2015 Annual Compliance Report**  
<http://www.prc.gov/docs/94/94403/FY.15.ACR.pdf>
- **Postal Service Active Employee Statistical Summary (HAT) Report, Pay Periods 25 and 26, FY 2015**  
[http://www.prc.gov/docs/94/94434/Letter\\_HAT\\_PP25-26\\_FY15\\_20151229152516.pdf](http://www.prc.gov/docs/94/94434/Letter_HAT_PP25-26_FY15_20151229152516.pdf)  
<http://www.prc.gov/docs/94/94434/Report%20HAT274P1%20-%20December%2012.%202014.pdf>  
[http://www.prc.gov/docs/94/94434/Report\\_HAT274P1 - November 28, 2014.pdf](http://www.prc.gov/docs/94/94434/Report_HAT274P1 - November 28, 2014.pdf)

- **International Market Dominant Products Billing Determinants FY2015 Quarter 4**  
[http://www.prc.gov/docs/94/94433/Letter\\_BillDet\\_Q4FY15\\_20151229152357.pdf](http://www.prc.gov/docs/94/94433/Letter_BillDet_Q4FY15_20151229152357.pdf)  
[http://www.prc.gov/docs/94/94433/Q415\\_MKT\\_DOMINANT\\_INTL\\_BD.xls](http://www.prc.gov/docs/94/94433/Q415_MKT_DOMINANT_INTL_BD.xls)
- **Market Dominant Billing Determinants FY2015 Quarter 4**  
<http://www.prc.gov/docs/94/94431/4Q15%20Alaska%20Bypass%20BDs.xlsx>  
[http://www.prc.gov/docs/94/94431/4Q15%20BPM\\_BDs.xlsx](http://www.prc.gov/docs/94/94431/4Q15%20BPM_BDs.xlsx)  
<http://www.prc.gov/docs/94/94431/4Q15%20FCM%20BDs.xlsx>  
<http://www.prc.gov/docs/94/94431/4Q15%20Media%20and%20Library%20Mail%20BDs.xlsx>  
<http://www.prc.gov/docs/94/94431/4Q15%20Periodicals%20BDs.xlsx>  
<http://www.prc.gov/docs/94/94431/4Q15%20STD%20Mail%20BDs.xlsx>  
<http://www.prc.gov/docs/94/94431/4Q15%20Special%20Services%20BDs.xlsx>  
[http://www.prc.gov/docs/94/94431/Letter\\_BillDet\\_Q4FY15\\_20151229152357.pdf](http://www.prc.gov/docs/94/94431/Letter_BillDet_Q4FY15_20151229152357.pdf)

## NATIONAL NEWS

**Linn's** : Linn's Washington correspondent Bill McAllister reveals one of Washington's greatest secrets in the special feature in the Jan. 18 issue of Linn's. Specifically, McAllister presents a look inside the vault at the United States Bureau of Engraving and Printing. In 2005, the BEP ended 111 years of United States postage stamp production at the request of the U.S. Postal Service. As McAllister says in his story, the Postal Service made the decision to use private printers, because they could produce lithographed stamps at a much lower cost than the BEP. The BEP is run by the Department of the Treasury and is responsible for printing U.S. currency notes. As McAllister reports, locked in the vault on the second floor of the BEP, located on the corner of 14th and C Streets, SW, in the nation's capital, are more than 1,000 original dies that "carry the hand-engraved images of the stamps the Bureau often designed and then printed." Today, the dies are pulled out by engravers at the Bureau to create philatelic souvenir cards. Also housed in the vault are proposed designs and other stamp-related treasures. The vault's treasures are seldom seen by the general public. As McAllister explains, it took Linn's several months to arrange a visit to the vault. I visited the BEP several years ago when they were sole printer of U.S. stamps. My visit also took several month to arrange. The thought occurred to Linn's editors that the BEP's trove might better serve stamp collectors and historians if some of the items were transferred to the Smithsonian's National Postal Museum in Washington. For example, President Franklin D. Roosevelt's rough sketches for stamp designs mentioned in McAllister's story could be displayed and more easily made available for study if they were placed on loan to the museum or became part of the museum's permanent holdings.

**ABCNews**: According to federal court papers, a postal worker was so overwhelmed by the number of gifts and holiday cards on his delivery route that he dumped hundreds in the trash. The New York Post is reporting that Queens postman Daniel Darby was charged with unlawfully delaying and destroying the mail. Federal officials say he was so stressed by the increase in December mail that he bought three white garbage bags, stuffed the holiday mail into the bags and dumped them into the trash. They were discovered two days later. According to the Post, a second mail carrier, James Hayden, was also accused of stealing 50 gift cards from envelopes over the past year in a separate case. The Brooklyn mail carrier was charged with stealing mail.

**Public Service News**: Most people don't think of the U.S. Post Office as a place to cash a paycheck, but a coalition of national consumer, labor and civic organizations want to change that. The group recently delivered petitions with more than 150,000 signatures urging Postmaster General Megan Brennan to roll out basic banking services. Katherine Isaac, an organizer for the Campaign for Postal Banking, says low-income families who depend on expensive payday lenders and check-cashing outlets could see immediate benefits. "Including cashing checks to cashing payroll checks," says Isaac. "We want them to provide bill-pay and electronic-funds transfers, and we want them to have surcharge-free ATMs in every post office across the country."

**UPS Press Release**: Wrong size, wrong color, wrong style, just simply wrong for you? With consumers breaking online shopping records, post-holiday merchandise returns and exchanges will extend the UPS® holiday peak shipping season into the New Year. National Returns Day is Jan. 6, 2016, when consumers are expected to ship more than a million packages back to retailers on that single day. By the end of the first week of January, UPS expects to deliver more than 5 million returns packages – 500,000 more than last year. According to the UPS Pulse of the Online Shopper™ study, 45% of consumers have returned an item by shipping it back to a retailer – 42% of

those said they made a new online purchase during the process. “As online shopping volumes grow globally, so do returns volumes,” said Teresa Finley, UPS senior vice president of global marketing. “Online shoppers tell us they want free, fast and easy returns. We help our customers provide flexible options that create revenue and attract potential buyers.” Returns now play an important role in purchasing decisions as 67% of consumers said they look at a retailer’s return policy before they complete an order. Consumers also want a hassle-free returns experience: 66% want free returns shipping and 47% want an easy-to-print return label.

**Reuters:** After two consecutive years of problems during its holiday peak package season, UPS delivered on time at Christmas this year while its main rival FedEx had a last-minute stumble that left some gifts undelivered until after the holiday.

**CNBC:** UPS CEO David Abney said he is "very comfortable" with his company's relationship with Amazon.com, one week after The Wall Street Journal reported the relationship between the two had come under stress. The report raised the possibility of Amazon emerging as a rival to UPS in a bid to process rising package volumes and offset higher shipping costs. But Abney dismissed the notion that UPS' customers would be better off going it alone.

**Direct Marketing News:** The American Catalog Mailers Association (ACMA) has launched an effort to obtain a Negotiated Service Agreement (NSA) for a bloc of its members that would give them preferred rates on parcel shipping. NSAs are awarded only to customers with massive annual mail and package volumes. ACMA VP of Industry Relations Lynn Noble, formerly product manager for catalogs at the U.S. Postal Service, believes sufficient precedent exists for a group of catalogers to come together on a deal. “If you look at companies like Etsy or Overstock, the big aggregator websites, they've been able to pull contract pricing together for their third-party vendors,” says Noble. “All of those wanting to take part in the deal will have to submit their individual numbers, but it's the baseline performance upon which the deal is predicated.” Parcel Select rates will go up an average of 9.4% and First Class packages by 5.1%. The ACMA board hopes an NSA would, at the least, win its membership Commercial Plus Pricing that is offered to customers shipping 5,000 First Class or 50,000 Priority Mail packages a year.

## **INTERNATIONAL NEWS**

**DENMARK: Copenhagen Post:** Starting January 1, the price for sending express letters in Denmark will almost double from 10 to 19 kroner. A price comparison, carried out by Radio24syv, shows postal service in Denmark is the most expensive of all the 28 EU member states. In Norway, which has the second most expensive postal service, sending a standard 50 gram letter costs 8 kroner and 61 øre. Fewer people send letters. Meanwhile, the average price for sending an express letter in the other EU countries is 4 kroner and 72 øre. PostDanmark argues the significant price increase is necessary to cover the company’s expenses as the number of people sending letters continues to fall significantly. According to PostDanmark, an average Danish family sends less than four priority letters a year. Bent Greve, a professor of social sciences at Roskilde University, believes the considerable price rise will only discourage potential customers and even fewer people will use the postal service in the future. “They can get away with it because they have a partial monopoly on delivering letters in Denmark,” Greve noted.

*December 29, 2015*

## **POSTAL/FEDERAL NEWS**

**Mailers Technical Advisory Committee: MAIL PREP, ENTRY & OPERATIONS FOCUS SESSION**  
**WEBINAR Thursday, January 7, 2016 from 2:00 p.m. – 3:00 p.m. (EST)** The Mail Prep and Entry Focus Group will host a webinar for MTAC members that will include updates normally given during the focus group meetings at MTAC. Covering these topics in advance of MTAC week will allow time to share new opportunities and have more robust discussion on topics of interest at the face-to-face focus group meeting. Agenda topics will include: § FAST Update § USPS Communications for service disruptions § Surface Visibility § Work Groups / User Group Update § Remittance Update Registration Required. Instructions for participating in the webinar appear below: Attendee Information US/Canada Attendee Dial-in: (866) 381-9870 Conference ID: 17022708 Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e7d360f23d89520dd7c42ef2ddda90746> If you cannot join using

the direct link above, please use the alternate logins below: Alternate URL: <https://usps.webex.com> Event Number: 999 706 231

**Attention PostalOne!® and Business Customer Gateway Users:**

- **PostalOne! & BIDS Release 42.0.0.0** – PostalOne! & BIDS Release 42.0.0.0 will deploy on Sunday, January 3, 2016 between 12:00 AM to 10:00AM CT. The PostalOne! system will not be available during this time. **A new Mail.dat® client download 42.0.0.0\_PROD will be required after this release.** All previous versions of the Mail.dat client will be expired.
- **PostalOne! Releases 42.0.0.0 Deployment to Test Environment for Mailers (TEM)** - will occur on Monday, January 4, 2016 between 6:00 AM to 4:00 PM.. The PostalOne! TEM environment will not be available during this time.
- **Seamless Acceptance and Service Performance (SASP) Release 21.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 10:00 AM CT. This release includes fixes to known SASP issues to include updates to select Full-Service and Seamless Verifications.
- **Program Registration Release 15.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 8:00 AM CT. The Program Registration application will not be available during this time.
- **Centralized Accounts Processing System (CAPS) Release 42.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 8:00 AM CT. The CAPS application will not be available during this time.
- **Facility Access and Shipment Tracking (FAST) Release 32.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 8:00 AM CT. The FAST application will not be available during this time.
- **Full Service Intelligent Mail Device (FS IMD) Release 42.0.0.0** will deploy on Monday, January 4, 2016 through Friday, January 8 to their Pilot Environment. The production release will be implemented at the end of January.
- **January 2016 Price Change** - As a reminder, **the January 2016 Price Change for Competitive Products goes into effect Sunday, January 17, 2016.** New postage statements associated with the January 2016 price change are available on Postal Explorer® at [pe.usps.com](http://pe.usps.com).

The Postage Statement link is in the left column under January 2016 Price Change Information. As of January 17, 2016, the new January 2016 postage statements are required for Priority Mail® (PS Form 3600-PM), First-Class Package Service® (PS Form 3600-R), Parcel Select® (PS Form 3605-R), and International Mail (PS Form 3700). When mailing Market Dominant (Mailing Services) products, you may continue to use the May 2015 statements (Standard Mail® PS Form 3602R, Standard Mail Nonprofit PS Form 3602N, First-Class Mail® PS Form 3600 FCM, and Periodicals PS Form 3541) until the next Market Dominant price change.

**Federal Register:**

Postal Regulatory Commission	
<b>NOTICES</b>	
International Mail Contracts ,	
81380–81381 [2015–32712]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
New Postal Products ,	
81381 [2015–32710]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
81379–81380 [2015–32711]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>

**NATIONAL NEWS**

***iSchool Guide:*** Many campuses across the U.S such as the University of Colorado and Arizona State University have seen a shift in the students’ mail habits. As a result, some of the universities took drastic measures such as removing mailboxes as well as redesigning their premises to create a storage space for packages. On the other hand, the changing mail habits have negatively affected the U.S Postal Service. The U.S Postal Service reported that first-

class single-piece mail volume as well as bearing postage stamps have declined 53 percent from 45.9 billion pieces in 2005 to approximately 21.5 billion in 2014. However, the postal service statistics also indicated that the package volumes grew to 21 percent between 2008 and 2013. Despite the decrease in numbers of letters from home, bills and other traditional mails, students are doing more of online shopping. As a result, online vendors such as Amazon are capitalizing on students' instant needs for almost everything.

**Profit Confidential:** Amazon.com, Inc. is making a big investment you wouldn't expect from a technology company and owners of AMZN stock should take note. Amazon is considering leasing 20 "Boeing 767" wide-body freighter jets to help the company gain more control over its logistics platform. The company is also buying thousands of truck trailers to speed up shipping from its fulfillment centers to sorting centers. Having its own fleet of freighter jets and trucks would certainly give Amazon more control over its shipping. This would be particularly useful when it comes to holiday seasons, when Amazon's third-party logistics providers struggle to keep up with the large and erratic orders. During the peak holiday period, it is estimated that Amazon would ship around 5.2 million packages a day. Right now, about 70% of Amazon's shipments go through the U.S. Postal Service, while United Parcel Service Inc., FedEx Corporation, and various smaller delivery companies take the remaining 30%. Two years ago, UPS had a delay for Christmas orders on Amazon.com. The companies decided to refund shipping costs and give a \$20.00 Amazon gift card to customers who failed to get their deliveries by Christmas Day. By having its own logistics platform, Amazon could plan ahead and prevent these kinds of third-party delays.

**Memphis Commercial Appeal:** An onslaught of last-minute e-commerce combined with dangerous weather to spell trouble for FedEx in the run-up to Christmas. The Memphis carrier took a lashing on social media for failing to deliver all packages before Christmas, but an industry expert said FedEx and UPS performed similarly. The difference was UPS did a better job tamping down customer expectations by building in more time to make deliveries. FedEx, UPS and the U.S. Postal Service delivered 99 percent of about 60 million packages last week, said Satish Jindel, president of SJ Consulting and its shipment-tracking system ShipMatrix. "You tend to overlook the 59.4 million who got their packages, just because those 600,000 complained, even though they're the ones who procrastinated," he said. "If they had 99 percent service, there would have been a few hundred thousand packages that didn't make it. When social media shows 'my package didn't arrive on time,' that doesn't deserve media attention," Jindel said.

## INTERNATIONAL NEWS

**ESTONIA: The Baltic Course:** According to a financial forecast, the operating revenue of the Estonian state-owned postal company Eesti Post is to increase from 60 million euros in 2014 to 64 million euros in 2015 and to 67.2 million euros in 2016

**FIJI: The Fiji Times:** POST Fiji Limited board chairman Lawrence Tikaram says PFL will be advertising the post of Head of Postal Services once police complete their investigations on the current Head of Postal Services Seveci Tora. "We will be advertising for internal and external applications once investigations are completed. In the meantime, EMS and International line managers are reporting to other senior managers in order to ensure minimal disruption to Post Fiji business," Mr Tikaram said.

*December 28, 2015*

## POSTAL/FEDERAL NEWS

**USPS Industry Alert:** The Lubbock TX facility located 1515 Crickets Avenue, Lubbock, TX (79402) is experiencing severe weather conditions (snow/Ice). The facility is open and FAST appointments are being accepted; however there may be a delay in unloading the trucks. For further updates visit: [USPS Service Alerts](#).

## NATIONAL NEWS

**dfwLocalCBS:** The violent tornadoes that roared through the Garland area over the weekend has impacted mail service in the delivery areas of Garland, Rockwall and Rowlett. The U.S. Postal Service said in a news release



Monday, mail delivery may also be impacted because of flooding in Red Oak, Brownsboro, Atlanta and Melissa. All Post Offices are expected to be open for business.

**Rasmussen Reports:** Americans used the U.S. Postal Service more this holiday season and continue to give the quasi-governmental agency better marks than its private competitors for the way it handles their packages. Twenty-one percent (21%) of American Adults say they used the USPS more this holiday season than they have in previous years, while 18% say they used it less. A new Rasmussen Reports national telephone survey finds that 60% rate their use of the Postal Service as about the same as in past years.

**Las Vegas Review-Journal:** As the Washington Post's Lisa Rein reported, in November, the postal district in Portland sent a memo to newspaper publishers, informing them that it was illegal to run pot ads in their publications and to use the U.S. Postal Service to mail papers containing those ads to subscribers. Despite marijuana being legal in Oregon and a few surrounding states, the USPS is a federal entity, and newspapers that run ads for marijuana in those states are violating federal law banning the advertising of so-called illicit goods. In response to the memo, Democrats in the state's congressional delegation sent an angry letter to postal officials, accusing the USPS of being overly rigid and urging them to respect the fact that voters in those states support legalized pot. This is yet another awkward case where state and federal law clash. As Jazz Shaw at HotAir.com theorizes, officials at the Post Office likely consulted with officials at the Justice Department before issuing their memo. Mr. Shaw wrote that if that indeed happened, then it can be safely assumed that there are some in D.C. who still want to prosecute cases involving marijuana in states where it is now legal. Mr. Shaw also doubts that the feds will actually go after the newspaper owners in question, and that the USPS might just be trying to cover its rear end in this case. So, the U.S. Postal Service — with its fiscal insolvency, out-of-date vehicle fleet, shrinking staff, unpaid retiree benefits fund and money-losing post offices — is telling newspapers, which are struggling themselves, that they can't allow a legal business to advertise in their publications if they want to distribute any of their newspapers through the mail? Here's a novel idea: how about the post office gets its own house in order before it starts ordering another industry to turn away business?

**eCommerceBytes:** I thought I would let you know I have had customers writing over the last week about 8 missing packages dating back to December 7. I opened cases for all of the packages. **A USPS post office from a small town in Oregon contacted me** regarding one of the packages. **He told me that USPS is running 10 - 15 days behind on 1st class mail.** He said USPS has been "slammed" by all of the packages this year and they simply haven't been able to keep up. He also said that most of the missing packages should show up within the next week or so. They haven't been able to handle the volume because they have never been this busy. **He also said Amazon Packages are taking first Priority because of the money they pay, followed by Express Mail and then Priority Mail. 1st Class packages are handled last, thus the 10 - 15 day delay.** It was very refreshing to have someone who was actually candid and honest about their issues so I could relay this information to my customers.

*December 26, 2015*

## NATIONAL NEWS

**Claiborne Progress:** Law enforcement agencies nationwide are confronting an increasingly prevalent threat — a flood of cheap, new synthetic drugs from overseas. They're generally ordered online, arrive by international mail, and are delivered to buyers in the United States by the U.S. Postal Service. Frighteningly, they're breaching our shores undetected, and largely uninspected, by federal customs authorities. This security hole must be fixed. Failing to screen packages from foreign postal services threatens public safety and the economy. If U.S. law enforcement is unable to stem the flow of these harmful new drugs, the risks they pose will grow. Synthetic drugs can trigger unpredictable, violent behavior and overdoses, but dodge anti-drug laws with constantly changing chemical structures.

## INTERNATIONAL NEWS

**INDIA:** **Economic Times:** The communications and IT ministry is set to launch a slew of schemes on December 28 that will seek to digitally connect rural post offices across the country and enable core banking facilities at 12,000

other post offices. The ministry will also announce a programme to set up over 1,000 ATMs in three months for the convenience of post office savings bank customers.

**INDIA: DNAIndia:** This year itself, the Delhi unit of Narcotics Control Bureau has intercepted as many as 28 cases from the total of 47 cases, containing consignments of Charas, Heroin, Cocaine, Cannabis and Methaqualone Amphetamine mailed through private courier companies and the Indian Postal Service.

*December 25, 2015*

## POSTAL/FEDERAL NEWS

**Federal Register:**

<b>Postal Regulatory Commission</b>	
<b>NOTICES</b>	
New Postal Products ,	
80821–80822 [2015–32529]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
80819–80820 [2015–32530]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
80821 [2015–32531]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
80820–80821 [2015–32532]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
<b>Postal Service</b>	
<b>NOTICES</b>	
Product Changes:	
First-Class Package Service Negotiated Service Agreement ,	
80822–80823 [2015–32499]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
Global Expedited Package ServicesNon-Published Rates ,	
80822 [2015–32498]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
Priority Mail and First-Class Package Service Negotiated Service Agreement ,	
80822 [2015–32489]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
Priority Mail Express and Priority Mail Negotiated Service Agreement ,	
80822 [2015–32497]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>

## NATIONAL NEWS

**San Francisco Chronicle:** E-commerce is soaring, thanks in large part to Amazon, placing enormous strain on carriers — and the reputations of retailers. Relying on services like UPS and FedEx can be nerve-racking for retailers during the crucial holiday shopping season. Whereas retailers naturally bear the brunt of consumer ire when websites crash or products sell out, late deliveries can be equally damaging to their relationships with customers — even if the companies are not at fault. So retailers have been exploring other ways to deliver goods to consumers on time.

**Postalnews.com:** The US Postal Service achieved a \$280 million operating surplus in November, as revenue increased by 7% over the same period last year (SPLY). USPS expenses increased by just 3%, yielding a year to date profit of \$800 million after two months of the new fiscal year. Those numbers do not include the PAEA required bookkeeping adjustments totaling just over a billion dollars so far this year. (While those adjustments are required by law, no money actually changes hands.) Total mail volume increased by 1.2% in November, driven by increases in standard mail (+4.7%) and shipping and package services (+18.2%). First class mail volume declined by



4%. Total workhours were up 4%, but controllable salaries and benefits increased by just 2.7%, reflecting the continued growth in low paid non-career employees. [Click here to download the full financial report from the PRC web site.](#)

## INTERNATIONAL NEWS

**EUROPE:** [Business Finance News](#): "Amazon.com: Air Delivery System Testing Underway in Europe"

**NETHERLANDS - UNITED KINGDOM:** [Post & Parcel](#): PostNL has reportedly said that it is unaware of any take-over talks being conducted with Royal Mail, despite the speculation in the UK press. A report in the UK-based newspaper Daily Mail claimed that Royal Mail was interested in taking over PostNL in a € per share deal. However, PostNL spokesman Dick Kors was quoted by Reuters as saying earlier today (24 December): "The media report cited 'hot gossip', but we know nothing about this."

*December 24, 2015*

## NATIONAL NEWS

[Wall Street Journal](#): Truck-driver teams are emerging as the shipping heroes of the holidays. Retailers and parcel carriers have been turning this season more than ever to teams, in which drivers pair up to keep trucks rolling for hundreds of miles over 20 or more hours a day, WSJ Logistics Report's Loretta Chao writes. The growing use of the truckload service is a result of the upheaval in retail sales that is recasting distribution strategies. Trucking companies and their customers are trying to meet the demands of holiday shopping that has swung hard toward online sales, pressing retailers and their delivery companies to move goods rapidly, and cheaply, across long distances. The goal, says one driver, "would be for this truck to never stop." The jobs are among the toughest in trucking to fill, though, and many companies say they are falling short of hiring goals even as they boost the pay and other incentives aimed at luring workers to life on the road.

## INTERNATIONAL NEWS

**KOREA:** [Business Korea](#): The Ministry of Science, ICT and Future Planning (MSIP) and the Korea Post announced an expansion of the "Korea-China Sea Express Service" into all regions of China from January next year. Under the current service, only Chinese customers in Shandong province can use the EMS service at half price after purchasing items from Korean online shopping malls. Also, the weight limits will increase from 2 kg to 30 kg. The Korea-China Sea Express Service is an e-commerce postal delivery service using ferries that sail from Incheon Port in Korea to Weihai Port in China. It is one to two days slower than existing international EMS service, but it is up to 50 percent cheaper by weight.

**NIGERIA:** [National Mirror](#): The Association of Nigeria Courier Operators, ANCO, said the National Assembly has denied it the opportunity of making input into the proposed Postal Commission Bill, which was abandoned midway by the 6th and 7th Assembly. Currently under-going reading, the Bill is expected to provide an independent regulator for courier services in the country with full enabling laws to operate.

**UNITED KINGDOM:** [ThisIsMoney](#): Speculation is rife that Royal Mail's chief executive Moya Greene will soon deliver the national carrier's first major acquisition since its controversial flotation, at an undervalued 330p, in October 2013. It could yet be a Christmas cracker, but word is it will now be rubber-stamped early in the new year. The shares rose 5.1p to 448.9p on hot gossip it is on the verge of bidding € a share for Dutch delivery and postal service PostNL, whose shares traded almost 5 per cent higher at €3.23 on the Dutch bourse. Germany's Deutsche Post is also said to be interested.

**INDIA:** [The Hindu](#): Identity cards issued at post offices continue to be popular with people who have recently shifted to the city. On an average, post offices receive 4,000 applications for ID cards every month. The cards are used to open bank and postal accounts, get LPG connections, ration cards and driving licences. However, residents

demand that the cards used for address proof must be delivered soon. "Many people who migrated from north-eastern states apply for the cards. But, we do not provide cards to people who do not have proper accommodation. We ask for authorisation letter from house owners and our postal staff members also go on a verification drive," said a postal official. It is also an accepted ID proof to produce during train travel. Sources in the Transport department said they accept postal ID cards as an address proof document. But, the applicant also has to attach an affidavit as it is not listed as accepted document in the government procedure. Efforts are on to have postal ID cards accepted as a valid document to get passports.

*December 23, 2015*

**POSTAL/FEDERAL NEWS**

*Federal Register:*

<b>Postal Regulatory Commission</b>	
<b>NOTICES</b>	
New Postal Products ,	
79961-79962 [2015-32232]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79958 [2015-32233]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79959 [2015-32234]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79959-79960 [2015-32235]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79962-79963 [2015-32236]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79958-79959 [2015-32237]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79962 [2015-32238]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79961 [2015-32240]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
Postal Rate Changes ,	
79960-79961 [2015-32239]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>

*USPS Office of the Inspector General:*

- [What is the End of Life Journey for Postal Service Electronic Equipment?](#) -- Modern electronic data storage devices are extremely resilient, and data recovery techniques and technology are highly advanced. Data is routinely recovered from media, which have been burned, crushed, submerged in water, or impacted from great heights. Decisions about disposing of or sanitizing data occur throughout the information system life cycle. The U.S. Postal Service has a process to retire information technology equipment, such as workstations, laptops, printers, and servers, to ensure that sensitive data is removed before reselling, scrapping, or reusing these assets.
- [Management Alert – Delivery Schemeless Sortation Risks to the U.S. Postal Service Information Technology Network \(Report Number MI-MT-16-001\)](#) -- This Management Alert is on the Delivery Schemeless Sortation Risks to the U.S. Postal Service Information Technology Network. Read Management Alert.
- [College Student Intern Program](#) -- The USPS OIG is seeking students enrolled in college/university programs to fill our College Student Intern Program (CSIP) - (Unpaid) position on the Chief Data Officer (CDO) Team located in Arlington, VA. CDO drives organizational strategy, analytics, and performance. This includes, but is not limited to, gathering and analyzing data and reporting results and conclusions. The intern will provide a wide range of technical and administrative support to the CDO program, including conducting guided research and data collection, creating materials such as data sets to support projects and reports, and providing basic office assistance. [Apply Online](#)

**NATIONAL NEWS**

**Wall Street Journal:** A few retailers, including Eddie Bauer and Pacific Sunwear, are warning customers that their holiday packages are being delayed and blaming what they say are broader problems at FedEx Corp. Industry consultants who work with retailers said that the networks of both FedEx and rival United Parcel Service Inc. appeared to be at capacity this week, and the companies were enforcing volume limits on some retailers. Other retailers said their orders were shipping normally. "We don't see any indication that we are going to miss a significant number of Christmas packages this year," said a Wal-Mart Stores Inc. spokesman. "There is always a small amount of orders that might not get to customers, but so far looks like things are the same as last year." Last week, FedEx executives said on an earnings call it was the company's busiest holiday season ever, and there was no sign it would let up. FedEx Chief Executive Fred Smith said some e-commerce shippers were doing better than others this holiday. "The people that have the real problem in the e-commerce business by and large are those that view the transportation companies as some sort of utility or a vendor and they make some really, really bad decisions," Mr. Smith said. He didn't elaborate.

**Investors Business Daily:** Top U.S. package delivery service UPS and archrival FedEx (NYSE:FDX) are also getting competition from a resurgent U.S. Postal Service, which said Monday that it expected to deliver more than 30 million packages across the country on Wednesday, the busiest delivery day of the year. Based on that number, the Postal Service's share of holiday deliveries this year is estimated to jump to 40% from 35% a year ago. For UPS, Amazon's business has been lucrative as online shopping expands. This year, the account will top \$1 billion, a fivefold increase since 2005, the Wall Street Journal reported.

**Gizmodo:** A frustrated writer and poster enthusiast got upset when she had a hard time getting a Patti Smith print delivered to her home in Brooklyn. What did she do? She redesigned the slip that the United States Postal Service (USPS) uses to notify you that they've fail to deliver. Aliza Aufrichtig is the Brooklyn writer slash government form redesigner mentioned above. She found one of those yellow, two-sided slips at her apartment and afraid to brave the pre-holiday crowds at the post office tried to get it redelivered. This is either harder than it looks or exactly as hard as it looks since the USPS form is so incomprehensible. Aufrichtig's improvements are subtle, perhaps subtle enough to convince a massive bureaucracy to adopt them. Her primary design decision was to flip the card and make it a vertical layout. From there, she created simple sections for what the postal worker was attempting to delivery and when. Then come three easy options for what to do next, including post office pickup, re-delivery, or the new 24-hour locker-like service called Gopost. Finally, there's a section for instructions on redelivery.

**Yahoo! Finance:** Part of the U.S Postal Service's website slowed to a crawl on Tuesday because of overloading by people looking to track their holiday packages. "Due to unprecedented heavy volume, there were delays in providing tracking results for a very brief period late this morning," USPS spokesman Roy Betts told Fortune. "We continue to closely monitor the site." Betts confirmed that USPS tracking is now "working." Late Tuesday morning, several Twitter users tweeted that they were unable to track packages through the USPS.com site. Annoyed that they couldn't find their packages, the tweeters quickly turned to hashtags that lambasted the USPS, including "#USPSfail," "#holidayfail," and "#USPSdonttrustthem." Despite the displeasure, the issue was short-lived and the complaints petered out soon after. It's unclear how widespread the issue was, but it did not impact tracking accuracy, and data was not lost.

**Wall Street Journal:** This holiday season, the letter carriers for the U.S. Postal Service have been busier than an army of elves, operating practically 24/7 to try to take a significant share of a record-breaking online shopping season. So far, USPS is on track to scale a new high in holiday deliveries, as its volume is up more than 15% compared with a year ago and is forecast to reach more than 600 million packages between Black Friday and New Year's Eve. Based on that number, the agency's market share of holiday deliveries this year will increase to 40% from last year's 35%, as it continues to elbow its way into an e-commerce market long dominated by United Parcel Service Inc. and FedEx Corp. In September, the USPS requested permission to raise prices on its lightweight category, last-mile packages by 23.5%, because it was only making about a penny per package on those deliveries. Ms. Brennan acknowledged that it is a challenge to balance the workload associated with packages with the costs. She said the agency is working to manage overall expenses and expects to present good numbers for the quarter. "As a general rule, anytime the Post Office takes on more business, especially during peak with all those extra costs, the profitability goes way down," says Keith Byrd, a partner at shipping consultancy Transportation Impact.

***Seeking Alpha:*** Amazon will not be able to launch an operation to compete with FedEx and UPS overnight but it starts the timer, leaving FedEx with a limited time now to get itself into shape to compete with a potentially disruptive offering or possibly follow the paths of many other companies who failed to innovate and compete.

***The Cap Times:*** Congress does a lousy job of supporting the USPS. In fact, Congress and Postal Service executives keep creating challenges for the agency. There is something profoundly wrong — not to mention profoundly absurd — about the notion that any federal official would abandon the Constitution's promise and the workers who keep it. Yet that is precisely what is happening. Even as Postal Service employees get the job done, with a better track record of care and efficiency than private competitors, the agency itself is under attack. Pressured by extreme demands from Congress and hamstrung by outdated restrictions on how it can operate, the Postal Service faces financial challenges that are real — but those challenges could be addressed with relative ease by Congress. At the same time, USPS executives continue to undermine historic commitments to universal and rapid service by imposing austerity cuts that are irresponsible in the extreme.

*December 22, 2015*

## POSTAL/FEDERAL NEWS

### ***Attention PostalOne!® and Business Customer Gateway Users:***

- **PostalOne! & BIDS Release 42.0.0.0** – PostalOne! & BIDS Release 42.0.0.0 will deploy on Sunday, January 3, 2016 between 12:00 AM to 10:00AM CT. The PostalOne! system will not be available during this time. **A new Mail.dat® client download 42.0.0.0\_PROD will be required after this release.** All previous versions of the Mail.dat client will be expired.
- **PostalOne! Releases 42.0.0.0 Deployment to Test Environment for Mailers (TEM)** - will occur on Monday, January 4, 2016 between 6:00 AM to 4:00 PM.. The PostalOne! TEM environment will not be available during this time.
- **Seamless Acceptance and Service Performance (SASP) Release 21.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 10:00 AM CT. This release includes fixes to known SASP issues to include updates to select Full-Service and Seamless Verifications.
- **Program Registration Release 15.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 8:00 AM CT. The Program Registration application will not be available during this time.
- **Centralized Accounts Processing System (CAPS) Release 42.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 8:00 AM CT. The CAPS application will not be available during this time. Facility Access and Shipment Tracking (FAST) Release 32.0.0.0 will deploy on Sunday, January 3, 2016 between 12:00 AM to 8:00 AM CT. The FAST application will not be available during this time.
- **Full Service Intelligent Mail Device (FS IMD) Release 42.0.0.0** will deploy on Monday, January 4, 2016 through Friday, January 8 to their Pilot Environment. The production release will be implemented at the end of January.
- **January 2016 Price Change** - As a reminder, the January 2016 Price Change for Competitive Products goes into effect Sunday, January 17, 2016. New postage statements associated with the January 2016 price change are available on Postal Explorer® at pe.usps.com. The Postage Statement link is in the left column under January 2016 Price Change Information. As of January 17, 2016, the new January 2016 postage statements are required for Priority Mail® (PS Form 3600-PM), First-Class Package Service® (PS Form 3600-R), Parcel Select® (PS Form 3605-R), and International Mail (PS Form 3700). When mailing Market Dominant (Mailing Services) products, you may continue to use the May 2015 statements (Standard Mail® PS Form 3602R, Standard Mail Nonprofit PS Form 3602N, First-Class Mail® PS Form 3600 FCM, and Periodicals PS Form 3541) until the next Market Dominant price change.

### ***Postal Regulatory Commission:***

- **RM2016-3 Order No. 2915** - Order Approving Analytical Principles Used in Periodic Reporting (Proposal Twelve)

<http://www.prc.gov/docs/94/94174/Order%20No.%202915.docx>  
<http://www.prc.gov/docs/94/94174/Order No. 2915.pdf>

**Federal Register:**

<b>Postal Regulatory Commission</b>	
<b>NOTICES</b>	
New Postal Products ,	
79627 [2015–32008]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79625–79626 [2015–32009]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79626–79627 [2015–32010]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
<b>Postal Service</b>	
<b>NOTICES</b>	
Product Changes:	
First-Class Package Service Negotiated Service Agreement ,	
79628 [2015–32068]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
Parcel Select Negotiated Service Agreement ,	
79628 [2015–32069]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
Priority Mail Negotiated Service Agreement ,	
79628 [2015–32070]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79627–79628 [2015–32071]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79628 [2015–32072]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79628 [2015–32073]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79627 [2015–32074]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>

**USPS Industry Alert: USPS 2016 Promotion Webinars Mark Your Calendar for January 5th and January 7th, 2016.** The Postal Service Mailing Services Team invites you to attend a webinar on Tuesday, January 5th at 1:00 pm (EST) to review the enrollment process for the approved USPS 2016 Promotions. Important information for both mail owners and mail service providers (MSPs) will be provided on [registering for promotions and incentives via the Business Customer Gateway](#). In addition, plan to attend a second webinar on Thursday, January 7th at 1:00 pm (EST) during which the Team will review the benefits and detailed participation requirements for the Emerging and Advanced Technology/Video In Print Promotion (which includes the "A/B Testing option"), the Tactile, Sensory & Interactive Mailpiece Engagement Promotion and the Earned Value Reply Mail Promotion. Registration begins January 15 for the first two promotions, each of which has a promotion start date of March 1st. Registration begins February 15th for the Earned Value Reply Mail Promotion, which has a promotion start date of April 1st. Additional webinars are planned including for the Personalized Color Transpromo Promotion and the Mobile Shopping Promotion for which information will be forthcoming. The 2016 promotions continue to build on the engagement strategies of the 2015 promotions. The promotions focus on providing marketers with the opportunity to engage their customers by using dynamic color, new print techniques, mobile technology as well as traditional and innovative mail techniques. The promotions are designed to create excitement about mail, provide multiple opportunities for mailers to enhance the value of their mail and will offer incentives or discounts to mailers throughout 2016. **Webinar Pre-Registration Is Required** Webinar pre-registration is required and lines are limited so please sign up for these informational sessions today. The webinars are recorded and will be available on RIBBS (note: [the approved USPS 2016 Promotion Calendar and all Promotion Program Requirements are already posted](#)). Register for the January 5, 2016 webinar at 1:00 pm (EST): <https://uspsmeetings.webex.com/uspsmeetings/j.php?MTID=meb098695a167e9c9d38a7c0648e9cb93> Call-in-toll-free number: 1-855-845-0759 (US) Conference Code:114 727 6107 Register for the January 7, 2016 webinar at 1:00 pm (EST): <https://uspsmeetings.webex.com/uspsmeetings/j.php?MTID=m45c7d3056a91b1dcc36f575148b9b8c8>

Call-in toll-free number: 1-855-845-0759 (US) Conference Code: 114 727 6107 If you have any questions, please contact the Program Office at [mailingpromotions@usps.gov](mailto:mailingpromotions@usps.gov)

## NATIONAL NEWS

***Chicago Tribune:*** A surge of orders last month around Black Friday and Cyber Monday took a toll on timely deliveries. Though e-commerce has been a growing part of recent holiday sales seasons, this year's Cyber Monday volume was greater than anticipated. This year, 103 million people shopped online during Thanksgiving weekend, compared with 102 million people who visited bricks-and-mortar stores, according to the National Retail Federation. On Cyber Monday alone, sales hit a record-breaking \$3.07 billion, 16% more than the same day last year and 3.2% more than predicted, according to Adobe Systems Inc. The online sales crush caused some retailers' websites to crash and merchants to run out of popular items. Out-of-stock rates have surpassed last year's totals by 10% to 15%, Adobe said. A large part of this year's e-commerce increase stems from mobile orders, which made up 26% of sales on Cyber Monday, according to Adobe. Mobile transactions are expected to make up 25% of sales for the holiday season.

***Seeking Alpha:*** Amazon leasing 20 planes is a big deal for UPS. UPS will lose Amazon business at some point in time, and we believe that a large portion of this loss will happen in 2016.

## INTERNATIONAL NEWS

***EUROPE: Wall Street Journal:*** With Christmas shopping in full swing, the European Commission on Tuesday released new data suggesting online shoppers in the European Union could save over €1 billion a year if cross-border shipping costs were lower. Ordering online and having the parcel delivered from a different country in the European Union costs up to five times as much as domestic shipments, even when the actual distance is shorter, according to a study carried out by Brussels' Saint-Louis University on behalf of the commission. Advertisement The study compared domestic and international postage in 25 EU countries and found that Sweden, Denmark and Spain charge the most for a parcel shipped abroad, while Portugal, Latvia and Poland charge the least. While differences can be explained by distance and labor costs of postal workers, the study also found incongruousness between neighboring countries with similar labor costs: Sending a 2-kilogram package from Belgium to Spain costs €26.10 whereas the same package sent from the Netherlands to Spain would cost only €3. Shipping between neighboring Austria and Italy is also more expensive, even when the distance is shorter than domestic deliveries: It costs €4.44 to send a 2-kg parcel in Austria, but it costs €14 to send it to Italy. The other way around, it costs €9.00 within Italy and €25 to Austria. As a consequence, 44% of consumers buy online in their own country, but only 15% order online from another EU country, according to the commission.

***SUDAN: Sudan Vision:*** The meetings of the Arab Permanent Postal Committee and its working teams begun yesterday in Khartoum. The Meeting is hosted by the Ministry of Communications and Information Technology represented by the National Communications Corporation. Activities will continue up to the 24th of December, with the participation of most Arab countries. Sudanese Post Administration Director at the National Communications Corporation, Hashim Majzoub El-Haj pointed out that the meeting coincides with the meeting of the Universal Postal Union which meets every four years and will meet in Istanbul in 2016. He said the meetings will discuss several issues on top of which are the amendment of the universal postal agreement and the restructuring of the Universal Postal Union, besides other related issues. He added the current meetings aim at unifying Arab stances towards the alterations of the agreement.

***KAZAKHSTAN: KazInform:*** Rural postal points have been automated at 67% level, chairman of the Board of JSC "Kazpost" Bagdat Mussin reported today during the presentation of new bill "On postal service" in the Majilis. "We brought the figure of automation of rural branches up to 67% to see online what is happening in rural areas," he stressed. According to him, before 2017 100% of rural post offices will be automated, primeminister.kz informs. In turn, the Vice Minister for Investment and Development of Kazakhstan noted that in rural areas there are 7600 postmen. About 72% of branches of "Kazpost" are operating under the terms of tenancy, 10% - are in poor condition. According to the Deputy Minister, it is planned to invest about 6 billion tenge in JSC "Kazpost".



December 21, 2015

## POSTAL/FEDERAL NEWS

### *USPS Office of the Inspector General:*

- [One Small Step for First-Class Mail](#) -- Something happened in fiscal year 2015 that hasn't happened in years. Commercial First-Class Mail volumes increased a tiny bit. And we do mean tiny. The 9,700-piece increase in First-Class Presort Cards and Letters doesn't even register as a percentage point increase over last year. Still, this movement is enough to get people wondering: Is it a blip or the end of the freefall for First-Class Mail? While single-piece First-Class Mail has been in decline since about 1990, commercial First-Class Mail – what businesses mailers send – remained a growth product until 2008 when it fell by 1.6 percent. It has declined every year since then until this year (see chart below). It's no coincidence that 2008 was the turning point for commercial mail volumes. That year marked the first full year of the Great Recession, which roughed up the housing and financial sectors in particular. With limited cash flow, those sectors – heavy users of First-Class Mail for advertising – cut back on marketing, including direct mail. Standard Mail volumes also dropped during the recession, but they experienced a small uptick in 2013 and have flattened since then. Could Standard Mail be poised to begin a pre-recession climb? Digital enhancements to mailpieces combined with incentive programs, such as the Postal Service's recently approved Promotions Program for 2016, could provide a boost to a Standard Mail rally. Certainly, Standard Mail will benefit from the 2016 elections as politicians and political action groups use direct mail for messaging.
- [Electronic Mail Improvement Reporting – Workshare Mail Quality](#)

**Background.** The Electronic Mail Improvement Reporting (eMIR) System is a nationwide web-based system U.S. Postal Service employees use to report business mail quality issues and recurring problems, including issues detected after mail is accepted. Improperly prepared mail could increase costs and impact efficiency by requiring additional processing or causing delays in delivery. eMIR was designed to save costs by assigning Postal Service representatives to contact mailers to discuss the reported issues, their root causes, and corrective action the mailer will take. The resolution process generally involves preventing current issues from occurring in future mailings. Resolutions are recorded in eMIR and reports from the application are available to Postal Service staff and mailers using the Enterprise Data Warehouse. Our objective was to determine whether Eastern Area personnel are fully using eMIR to report mail quality issues and recover costs associated with irregularities in workshare mail preparation.

**What the OIG Found.** Eastern Area personnel did not use eMIR effectively to report and resolve mail preparation issues. Eastern Area managers stated that the current system is not "user friendly" because it takes too long to gather and enter data into eMIR. They estimated that about 10 percent of mail preparation issues get reported in eMIR. All ten mail service providers we spoke to recalled emails or telephone calls from the Postal Service to address mail quality issues, but nine could not recall being contacted as a result of an eMIR report. In addition, the application does not always direct issues to the appropriate staff for resolution or consistently provide feedback to employees on the resolution of reported issues. Nationally, about 57.3 percent of the issues reported in eMIR were listed as unresolved. For about 87.4 percent of unresolved issues, eMIR could not identify where to send the issue for resolution. Furthermore, reporting employees did not always understand mail preparation requirements, therefore, they sometimes omitted relevant data. The Postal Service could incur increased mail processing costs if mail quality issues are not adequately reported and resolved. For the period May 2014 through April 2015, there were 44,306 eMIR issues reported nationwide. eMIR was used less than one-tenth of 1 percent of the time to assess additional postage. The primary reason was because the application was not designed to recover costs. Additionally, the information reported in eMIR was often inadequate to calculate the impact. The Postal Service has an opportunity to use eMIR to support the Seamless Acceptance process for business mail verification by identifying preparation issues and making

postage adjustments for mail not processed with automated equipment. But this can only occur if the application gathers the proper details.

**What the OIG Recommended.** We recommended the vice president, Mail Entry and Payment Technology, evaluate the effectiveness and continued use of eMIR to include updating electronic eMIR forms, establishing an eMIR feedback process that provides specific resolution details to employees who initiate reports, evaluating the use of eMIR in conjunction with Seamless Acceptance to recover costs of improperly prepared mail, and developing and implementing a training program to promote the use of eMIR by mail processing and delivery operations personnel.

- [How Can the Postal Service Best Meet Your Needs?](#) -- Life is full of complications. How can the Postal Service simplify the way it meets your needs? Ideas may include more locations, more retail windows at existing locations, better strategic locations, more efficient processes, more self-service machines, new products or services, enhancement to existing services (such as carrier mail pickup, stamps by mail, and improved mobile apps), and other creative ideas. There are many possibilities, but only you know how the Postal Service can meet your needs most effectively. Which existing services are most helpful to you? What services would you like the Postal Service to offer or enhance? How can the Postal Service best meet your needs?

## NATIONAL NEWS

**[Post & Parcel:](#)** Postal industry veteran Daryl Jackson has announced his retirement from Deloitte. Jackson currently leads Deloitte's Global Postal Express Logistic group, focused on the emerging demand in eCommerce B2C marketplace, and the firm's work at the US Postal Service. From 2007 to 2014, Jackson served as Deloitte's LCSP for US Postal Service. During his tenure, Daryl has spoken at international conferences on a variety of industry topics, and met with clients including: Brazil, Brussels, United Kingdom, Ireland, Japan, Switzerland, Saudi Arabia, Brazil, Chile, China, Mexico, Canada, Norway, Sweden and France.



**[Wall Street Journal:](#)** Amazon.com Inc. is moving closer to operating its own transportation network, raising big questions for some of the e-commerce's giant's current shipping providers. The online retailer is in talks with cargo airlines that would provide the airlift Amazon would need to start its own freight operation, the WSJ's Greg Bensinger and Doug Cameron report. The operation out of central Ohio would allow Amazon to reduce its reliance on carriers that include FedEx Corp. and United Parcel Service Inc., who may wonder whether Amazon's move to the air will create new competition for the carriers. Amazon would use up to 25 aircraft from companies that may include Atlas Air Worldwide Holdings Inc. and Air Transport Services Group Inc. to shift its goods between distribution centers. Bigger volume may be up for grabs, however, if Amazon sells that capacity to other shippers, and tries to build out an even bigger network.

**[Washington Post:](#)** Newspapers in half the states are breaking the law if they mail publications containing ads for marijuana products — even though the states have legalized pot, the U.S. Postal Service said last week. This parsing of federal law, released by postal officials as national policy after inquiries from Oregon's congressional delegation, is one of the messy consequences of the movement to legalize cannabis: It's bought, sold and advertised for recreational and medical use in some states, but still illegal under federal law.

## INTERNATIONAL NEWS

**EUROPE:** **[Financial Times:](#)** As consumers across Europe hit the internet to finish their last bits of Christmas shopping, Brussels is preparing a regulatory crackdown against rip-off pricing by national postal operators on cross-border parcel deliveries. EU regulators have become increasingly frustrated by what they are say are irrational pricing strategies that may be deterring people from internet shopping. Basic cross-border parcel deliveries are on average five times more expensive than identical deliveries on the domestic market, according to data from a new study to be published this week by the European Commission. The problem persists even when similar distances are

involved. There are also often large differences between what it would cost to send a package from one country to another compared with the charges for doing the same operation in reverse. The EU has placed high hopes in the potential of online commerce to boost cross-border trade, and so better knit together the bloc's common market. A Commission spokeswoman said that the regulator will "launch measures to enhance price transparency and regulatory oversight" of the cross-border parcel delivery market early next year.

**UNITED KINGDOM:** [\*Computer Weekly\*](#): Royal Mail has acquired cloud capabilities through its purchase of shipping and parcel data management company NetDespatch. The acquisition, for an undisclosed sum, will see NetDespatch operate as a standalone subsidiary. NetDespatch has in excess of 100,000 businesses customers in more than 100 countries. The cloud-based platform enables order delivery data to be automatically transferred from a retailer's system to its chosen carrier. Other processes are automated and data is collected and acted upon.

**ISRAEL:** [\*Times of Israel\*](#): Just how bad is Israel's postal system? Pretty bad, if you judge from posts on Israeli social media. In fact, there is even a Facebook group with 5,000 fans, "The Israel Postal Company has crossed every line," devoted exclusively to complaints about the government-owned corporation. Earlier this month, a fresh scandal erupted when consumers reported that sellers on eBay were refusing to sell to Israelis, not as a political boycott, but because their packages weren't arriving at their destination.

*December 20, 2015*

## NATIONAL NEWS

[\*Alaska Dispatch News\*](#): Shipping in Alaska is notorious for being expensive and difficult for rural residents trying to get specific goods. But thanks to e-commerce, that's changing. Residents in far-flung hamlets in the Aleutian Islands, isolated towns in the state's Interior and even in the hub of Anchorage are taking advantage of Amazon Prime, which delivers just about anything to your doorstep without charging for shipping -- in exchange for a \$99 annual membership fee. People in rural parts of the state say they've seen Prime's popularity soar in the last two to three years. Many hear about the service via word of mouth and then sign up. Amazon Prime may be a boon for remote customers but some say it's also forcing other companies to adapt in order to remain competitive. Big box stores are shipping more goods to rural Alaska via bypass mail and looking for other ways to transport them on the cheap. Bypass mail, available only in Alaska, is a freight service through which goods travel to rural parts of the state via commercial air carriers -- hence, bypassing the U.S. Postal Service.

[\*Fortune\*](#): Amazon may be gunning for UPS and FedEx, a new report says. What is clear is that Amazon's shipping costs have been skyrocketing. The company spent over \$8.7 billion on shipping in 2014, up from \$6.6 billion in 2013. Creating a logistics service could dramatically lower those costs. Amazon could also decide to handle shipping for other companies, much like it already does with data center services. If so, it would put it in direct competition with UPS, FedEx, and the U.S. Postal Service.

[\*Memphis Commercial Appeal\*](#): UPS says it will power more than 140 delivery trucks in Memphis and Jackson, Mississippi, with renewable natural gas from landfills over the next six years. The company said it expects to receive 15 million equivalents of renewable natural gas under an agreement with Memphis Light, Gas & Water Division and Atmos Energy Marketing LLC. Renewable natural gas, known as biomethane, can be produced from abundant and renewable sources such as decomposing organic waste in landfills, wastewater treatment and agriculture.

## INTERNATIONAL NEWS

ISRAEL: *Times of Israel*

**JAMAICA:** [\*The Gleaner\*](#): Jamaicans living overseas continue to send money to their relatives locally through the postal service, even though the money might never reach as customs officers could confiscate it or corrupt employees might steal it. "It is written in our many articles, on our website, any post office you use; we recommend that you do not send valuables, especially money, through the postal system. "We do not recommend it and the word

is that persons should stop," said Kathy-Ann Yetman, public relations officer at Jamaica Post. Yetman said that despite continued public sensitisation efforts, Jamaicans, especially the elderly, continue to find ingenious methods to hide and send money to Jamaica through the postal service.

*December 19, 2015*

## POSTAL/FEDERAL NEWS

***Federal Register: Postal Regulatory Commission NOTICES*** New Postal Product , 79361–79362 [2015–31896] [\[TEXT\]](#) 79362 [2015–31895] [\[TEXT\]](#)

## NATIONAL NEWS

***The Sanford Herald:*** A surge of Americans shipping letters and ordering gifts online this holiday season is keeping mail carriers with the U.S. Postal Service out late and driving up the service's revenue, according to workers at Sanford's local post office.

***Post & Parcel:*** PUDO, a company which is looking to build a parcel pick-up and drop-off service across North America, has entered into a strategic partnership with the AATAC, a national association for US convenience store owners. PUDO, which is operating in the US market through its wholly-owned subsidiary, PUDO Point, said that AATAC's members, who own thousands of convenience stores across the US, will help build the PUDO Point network as Authorized Dealers. As PUDO Point dealers, the AATAC members' stores can accept packages for PUDO Point members and people making online purchases. PUDO Point membership is free.

***The Wall Street Journal:*** Amazon.com Inc. has held discussions with air-cargo companies to lease airplanes and establish its own freight operation, with the goal of reducing its reliance on traditional carriers, according to people familiar with the matter. The Seattle-based online retailer has said it is seeking as many as 25 aircraft from companies including Atlas Air Worldwide Holdings Inc. and Air Transport Services Group Inc., these people said. Amazon could begin building out the service early next year, they said. Amazon has already teamed up with Air Transport Services Group in Wilmington, Ohio, as part of a test using cargo aircraft, these people said. The Seattle Times reported earlier on the discussions with air-cargo companies. Air Transport Services Group didn't immediately respond to a request for comment. Representatives for Amazon and Atlas declined to comment. The effort stems from a broad desire at Amazon to take greater control of its shipping and package delivery operations. In some cases, the company is using its own trucks, drivers and a fleet of couriers for so-called last mile delivery, the final and most-expensive leg of an order's trip.

***Motley Fool:*** Is Amazon About to Eat United Parcel Service and FedEx's Lunch? The Seattle Times reports that Amazon.com is negotiating to lease 20 Boeing jets in the latest clue that the e-commerce giant could take on United Parcel Service and FedEx.

***Seeking Alpha:*** Amazon has become a key player in logistics, the heart of UPS' business, during this decade. I think that Amazon is the only thing that is keeping the U.S. Postal Service afloat - my mailman will deliver Amazon packages any day, any hour. Amazon is constantly pushing its logistics partners to keep up with its own accelerating pace, and the move to lease jets is just one more indication that UPS isn't matching the pace, that it lacks urgency.

## INTERNATIONAL NEWS

***INDIA: New Kerala:*** Union Minister for Communications and IT Ravi Shankar Prasad said here today that digital power accelerated by smart phones in the hands of young people, has enormous potential to drive the 'Digital India' initiative of the NDA Government and achieve the dreams of an aspirational India. He said that the programme currently focuses on digital delivery of health, education, grocery and tourism services. "There is a need to promote e-health, e-education, e-internet, e-tourism and e-commerce," he said while addressing the 88th Annual General Meeting of FICCI. Prasad mentioned about measures being taken to improve the Indian postal service. He said that

the massive postal network in the rural areas should be converted into community service centers and the postal department should be scaled up to provide e-commerce services and should be aggressively persuaded to enter into banking segment.

*December 18, 2015*



**PostCom Members !! The latest issue of the [PostCom Bulletin](#) is now available online.** Hey! You've not been getting the weekly PostCom Bulletin--the best postal newsletter anywhere...bar none? [Send us by email](#) your name, company, company title, postal and email address. See what you've been missing.

## POSTAL/FEDERAL NEWS

**USPS Industry Alert:** The December 18, 2015 issue of the Postal Service's "[Mail Spoken Here](#)" has been posted on this site.

**USPS Industry Alert: USPS Industry Peak Season Webinar Wednesday, December 23, 2015 from 2:00PM to 3:00PM (EST).** The Postal Service would like to update mailers on the current peak mailing season. On Wednesday, December 23, at 2:00pm (EST), Linda Malone, Vice President Network Operations, and her staff will present the final installment of their webinar series to update mailers on important information regarding peak season. Please review the information below for instructions on how to participate in the call. The Postal Service has been adjusting plans to ensure that mailers have the necessary equipment, transportation, and resources for a successful season. The Postal Service has also been working to ensure that customer communication plans, mail processing plans, and sort programs are in place; in addition to expanding FAST appointments and deploying additional equipment to manage volumes and to monitor cycle times. The webinar is designed to give you up to date information and an opportunity to ask questions. If you have suggestions for topics and/or questions to submit in advance, please do so by sending it to: [IndustryAlert@usps.gov](mailto:IndustryAlert@usps.gov). The Postal Service is committed to working closely with our customers to help them plan their mailings throughout the Peak Mailing Season. We hope that you can join us. Agenda topics will include: Service to Date Current Network Conditions MTE Update Registration Required. Instructions for participating in the webinar appear below: Attendee Information US/Canada Attendee Dial-in: (866) 381-9870 Conference ID: 96611443 Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e398f087da2c75f801e969f0c4ab0cf9b> If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <https://usps.webex.com> Event Number: 996 873 673

**USPS Industry Alert: Streamlined Mail Entry Publication Feedback Deadline Extended.** The deadline for feedback on the new Streamlined Mail Entry Publication has been extended through January 23, 2016 as requested by the mailing industry. An initial draft of the document is posted on RIBBS at [https://ribbs.usps.gov/intelligentmail\\_guides/documents/tech\\_guides/StreamlinedMailEntryPublication.pdf](https://ribbs.usps.gov/intelligentmail_guides/documents/tech_guides/StreamlinedMailEntryPublication.pdf). The Postal Service has several key initiatives to streamline the acceptance, induction, and verification of commercial card, letter, and flat mailings: Full-Service Intelligent Mail, Move Update, eInduction, and Seamless Acceptance. A new publication, Streamlined Mail Entry for Letters and Flats, provides the policies and procedures for these initiatives. Feedback should be sent to [mailacceptancepub@usps.gov](mailto:mailacceptancepub@usps.gov).

**USPS Office of the Inspector General:** A former postal employee was sentenced today to 36 months in federal prison for his role in a conspiracy to steal U.S. Treasury checks from the mail and either sell them on the street or deposit them in bank accounts opened with stolen or fraudulent personal information. The bank funds were then withdrawn or used to make retail purchases with the use of debit cards. An investigation by the Providence Police Department Intelligence and Organized Crime Unit and the United States Postal Service (USPS) Office of Inspector General (OIG) resulted in the seizure of approximately \$1.6 million dollars worth of stolen U.S. Treasury checks, dozens of stolen gift cards, and more than \$165,000 in proceeds gained as a result of the sale of stolen checks and gift cards.

**Attention PostalOne!® Users:** The PostalOne! ® system **is restored and fully functional**. In addition, other applications affected by this issue (CAPS, FAST, eVS) are available. eDoc submitters should begin submitting their electronic mailing information immediately and Acceptance Units will begin processing mailings and the reconciliation process described in the PostalOne! Contingency plan. The application team will continue to monitor the system. If you experience any issues, please contact the PostalOne! Help Desk at 800.522.9085. We apologize for the inconvenience this outage caused.

**Federal Register:**

<b>Postal Regulatory Commission</b>	
<b>NOTICES</b>	
New Postal Products ,	
79109–79110 [2015–31800]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79109 [2015–31801]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79110 [2015–31803]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79110–79111 [2015–31864]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
<b>Postal Service</b>	
<b>NOTICES</b>	
Product Changes:	
Priority Mail and First-Class Package Service Negotiated Service Agreement ,	
79111 [2015–31815]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
Priority Mail Express Negotiated Service Agreement ,	
79111–79112 [2015–31812]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
Priority Mail Negotiated Service Agreement ,	
79111 [2015–31813]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79111 [2015–31814]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79112 [2015–31820]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
79111 [2015–31821]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>

**NATIONAL NEWS**

**Linns:** The United States Mint has retreated from its plans to end all mail-order sales of coins and medals next year. Stump did not elaborate on the reason for the sudden reversal.

**Huffington Post:** Wednesday the Campaign for Postal Banking, Campaign for America's Future and dozens of other national consumer, labor, and civic organizations delivered petitions signed by more than 150,000 Americans, asking the USPS Postmaster General to implement Postal Banking. Postal Banking would provide low-cost financial services through the nation's 30,000 U.S. Post Offices.

**Forbes:** "Can The Smithsonian Save The U.S. Postal Service From Obsolescence In The Age Of Facebook?"

**Denver Post:** It is illegal to mail newspapers or other materials that contain advertising for marijuana products, but local postal officials can't refuse to accept such mail, the Postal Service said. Postal officials, however, can report the mailings to law enforcement agencies for investigation if they feel that is warranted, said [Thomas Marshall, postal service executive vice president and general counsel](#). Colorado and Oregon are among 23 states that have legalized marijuana use in some form. Postmasters who think mail contains the ads must accept it but may then report it to law enforcement agencies for investigation "if appropriate," Marshall said in the letter dated Dec. 15. Marshall's response indicates the Postal Service won't stop mailings including the ads, and "that is reassuring," said Steve



Zansberg, president of the Colorado Freedom of Information Coalition. A U.S. Department of Justice memo from 2013 providing guidance to all U.S. attorneys outlined eight factors that should influence any decision they make to engage in marijuana enforcement. Among them are preventing distribution to minors, and distribution of revenue from marijuana sales to criminal enterprises. Also included are preventing diversion of marijuana from states where it is legal to those where it is illegal under state law. None of them mention the flow of advertising through the mail.

## INTERNATIONAL NEWS

**LITHUANIA: *Post & Parcel*:** Lithuania Post has launched a new pilot project offering customers the use of "personal parcel lockers". The company has described its new personal parcel lockers as "a more modern and convenient version of traditional mail boxes". "They are bigger than the usual mail boxes, so they can contain more parcels and even the bigger ones," explained Lithuania Post.

*December 17, 2015*

***Be sure to check out this [position available announcement from Time Customer Service](#)***

## POSTAL/FEDERAL NEWS

***Postal Regulatory Commission:*** The PRC Web Site has posted new documents. PRC Daily Listing Page: Go to [http://www.prc.gov/dockets/daily?filterdate\[value\]\[date\]=12-17-2015](http://www.prc.gov/dockets/daily?filterdate[value][date]=12-17-2015).

***Attention PostalOne!® Users:*** The PostalOne! team continues to troubleshoot the processing issue (tracked by Ticket Number 982302). UPDATE: ORACLE and DMS teams have requested that PostalOne! be brought down briefly to expedite troubleshooting and restoral efforts. Additionally, data continues to be provided to the ORACLE team in response to three open ORACLE SRs. There is no anticipated restoral time at present but one will be provided once determined. Please follow the PostalOne! Outage Contingency Plan for processing mailings.

***Attention PostalOne!® Users;*** The PostalOne! ® team continues to troubleshoot the processing issue (tracked by Ticket Number 982302). UPDATE: PostalOne! has been brought down in In an effort to expedite its restoral and address the issue impacting Mail.dat/Mail.xml processing. There is no anticipated restoral time at present but one will be provided once determined. This issue is also affecting systems and applications such as FAST, CAPs, and eVS. Please follow the PostalOne! Outage Contingency Plan for processing mailings. *[EdNote: One bleepin' disaster after another during the busiest of all mailing seasons. What a mess.]*

***Attention PostalOne!® Users:*** The PostalOne! team continues to troubleshoot the processing issue (tracked by Ticket Number 982302). UPDATE: ORACLE and DMS teams have requested that PostalOne! be brought down briefly to expedite troubleshooting and restoral efforts. Additionally, data continues to be provided to the ORACLE team in response to three open ORACLE SRs. **There is no anticipated restoral time at present** but one will be provided once determined. Please follow the PostalOne! Outage Contingency Plan for processing mailings.

***Attention PostalOne!® Users:*** The PostalOne! team continues to troubleshoot the processing issue (tracked by Ticket Number 982302). Update: PostalOne! continues to experience an issue impacting Mail.dat/Mail.XML processing. Work continues with ORACLE to identify and implement a solution to restore this functionality as soon as possible. There is no anticipated restoral time at present but one will be provided once determined. Please follow the PostalOne! Outage Contingency Plan for processing mailings.

***Attention PostalOne!® Users: Streamlined Mail Entry Publication December 17 2015.*** The deadline for feedback on the new Streamlined Mail Entry Publication has been extended through January 23, 2016 as requested by the mailing industry. An initial draft of the document is posted on RIBBS at [https://ribbs.usps.gov/intelligentmail\\_guides/documents/tech\\_guides/StreamlinedMailEntryPublication.pdf](https://ribbs.usps.gov/intelligentmail_guides/documents/tech_guides/StreamlinedMailEntryPublication.pdf). The Postal Service has several key initiatives to streamline the acceptance, induction, and verification of commercial

card, letter, and flat mailings: Full-Service Intelligent Mail, Move Update, eInduction, and Seamless Acceptance. A new publication, Streamlined Mail Entry for Letters and Flats, provides the policies and procedures for these initiatives. Feedback should be sent to [mailacceptancepub@usps.gov](mailto:mailacceptancepub@usps.gov).

**USPS Office of the Inspector General: [Can Underwater Products Be Profitable?](#)** The Postal Accountability and Enhancement Act states that each product should cover 100 percent of its costs. Over the past several years a number of market dominant products have failed to cover their costs. When a product cannot cover its costs it is deemed "underwater." The U.S. Postal Service loses money when products are underwater. It attempts to improve cost coverage for these underwater products by proposing above-average price adjustments; however, this approach has not succeeded. If the Postal Service raised prices high enough for each product to cover its cost, volume would likely decrease. Even with above-average price increases and cost cutting measures, some products remain underwater. Underwater products for fiscal year 2014 included: Standard Mail flats, Standard Mail parcels, In-County and Outside-County Periodicals, and Media and Library Mail. What can the Postal Service do to improve the profitability of products that do not cover their costs? What are the benefits or risks if the Postal Service continues to sell products that do not cover their costs?

**Federal Register:**

<b>Postal Regulatory Commission</b>	
<b>NOTICES</b>	
New Postal Products ,	
78788–78789 [2015–31648]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
78790 [2015–31649]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
78789–78790 [2015–31650]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
78789 [2015–31802]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
<b>Postal Service</b>	
<b>NOTICES</b>	
Product Changes:	
First-Class Package Service Negotiated Service Agreement ,	
78790 [2015–31819]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>

**NATIONAL NEWS**

**[Fox Business:](#)** FedEx, which described the holiday season as the busiest in its history, is calling out online retailers who are jamming up the works. During a conference call to discuss quarterly earnings, Chairman and CEO Fred Smith said a portion of the e-commerce industry continues to use oversized boxes that create shipping delays, a practice that FedEx and rival United Parcel Service (UPS) have attempted to discourage. FedEx works with customers to plan ahead and provide them with proper equipment to minimize transportation costs, according to Smith. But some retailers have been slow to change the way they pack orders

**[ARLNow:](#)** Mail that goes undelivered for months. Packages delivered to the wrong address. Long lines and unfriendly service. Those are just some of the issues with mail delivery and the post office in Douglas Park, residents say. The neighborhood email listserv has been abuzz for months with reports of postal problems, and it's not the first time the south Arlington community has experienced such issues. Last year WJLA reported on mysterious mail problems in Douglas Park, including cases of mail that was inexplicably delivered several months too late, without so much as an explanation or apology. Postal officials apologized for the problems and promised action. They said the matter had made its way all the way to the top — to the U.S. Postmaster General. *[EdNote: Fairfax Station, VA has been reporting extraordinary mail service delays, including the recent delivery of mail that was several weeks old.]*

**U.S. News & World Report:** Future employment prospects look bleak for government employees, manufacturers and postal carriers, according to a report issued Thursday by the Bureau of Labor Statistics. What's more surprising is the relatively large group of industries who are likely due for layoffs and job cuts. That ignominious honor goes to postal service workers, whose workforce is expected to contract by 165,000. The number of federal non-defense government workers is expected to decline by more than 110,000. Newspaper, periodical, book and directory publishers are expected to round out the bottom 3 with more than 103,000 job losses.

**CNET News:** Funn Magazine, a print magazine with a twist: The pages of this periodical can be scanned with a complementary iOS or Android app, making the pages spring to life via augmented reality. It's seeking crowdfunding on Kickstarter currently, and if you're not sure if you want to toss them a couple bucks for the first issue, you can test out the concept with some sample pages on the campaign's website.

**WICZ:** For many, after the holiday shopping -- comes the holiday shipping. The holidays are a busy time for local post offices and mail carriers. From Thanksgiving to New Year's, the United States Postal Service sends out approximately 536 million pieces of mail each day. Officials say the Vestal Post Office delivers about 1,600 packages a day during the holidays vs. around 400 during more normal times for it. "As far as parcels, probably six times the amount. And the mail volume, at least close to, as far as the letters, triple the amount. It's our season. This is what we look forward to," said Vestal Mailman John Fowler. "It definitely makes for some longer days. The carriers are working longer, but this is our time to shine. So they're used to it and they're up to the challenge," adds Vestal Postmaster Tim Gwardyak. But even for those who might have waited until the last minute, there's still time to get those packages out. <http://www.wicz.com/news2005/viewarticle.asp?a=41534>

**WBT:** The U.S. Postal Service is restricting the shipment of hoverboards, days after major airlines and retailer did the same, due to the fear of fire hazard. The USPS announced the decision in a statement on Wednesday night. Effective immediately, it will only ship the products by ground, using its Standard Post/Parcel Select service. The Postal Service notes that it has long-time established rules and regulations regarding the mailing of lithium batteries, which are often used in hoverboards. The products will not be shipped internationally or the military or diplomatic destinations.

**Seeking Alpha:** The shares of United Parcel Service are richly valued, but many argue this rich valuation is indicative of bullish secular trends, including increased e-commerce adoption, and a wide economic moat that ensures long-term success. We challenge this premonition, arguing that there are multiple headwinds that challenge the secular growth of the business. We believe companies like Uber and Amazon, that are already using the sharing economy to disrupt the delivery market, pose a particularly imminent threat to UPS' secular growth. While we do believe UPS will remain the most popular and widely used form of delivery over the next 5-10 years, we hold that independent retailer testing of personal delivery systems, coupled with sharing economy growth will eat away some of UPS' market share.

**Wall Street Journal:** FedEx Corp. on Wednesday said that this year's peak holiday season is its busiest ever, and the pace has been consistent since Cyber Monday. "There's no sign it's going to let up," FedEx Ground Chief Henry Maier said during the company's quarterly earnings call following the announcement of a 4% increase in profit for the quarter ended Nov. 30. Company executives said that the boom in e-commerce has resulted in a higher than expected number of packages during this holiday season. On Monday, the company picked up more than 26 million packages globally, executives said, and demand has been particularly high in the Northeast.

**Tampa Bay Times:** Postal inspectors are the cops of the U.S. Postal Service, protecting carriers and ensuring trust in the mail. They're usually the ones pointing out wrongdoing, sometimes testifying at criminal trials. But a Tampa postal inspector resigned in disgrace in July and admits to embezzling \$5,000 in mailed money orders before reporting his lapse to a superior, a new court record shows. John P. Ebsworth-Mojica, 40, said in a plea agreement filed Wednesday that he took a parcel containing five Postal Service money orders worth \$1,000 each, all purchased in March and mailed from an unidentified Tampa post office.

## **INTERNATIONAL**

**FRANCE:** [3DPRINT.com](#): La Poste Group and Cults3D are partnering up to offer users a unique new platform, 'Innovate and Create in 3D.' While that may sound pretty basic, it is actually a unique and comprehensive service offered by La Poste, the main postal service for France, as they are launching 3D printing services in seven of their postal offices. With that offering, La Poste Group wants to make sure that customers come not only to 3D print—but that they know how to do it—and do it well. Not only are they strengthening their own position in 3D printing, but they are seeing to it that their customers have the necessary strength in that area as well.

**INDIA - JAPAN:** [Computer Financial Express](#): Japan's Hitachi is keen to partner with the postal department for payments bank solutions, aid communications and IT minister Ravi Shankar Prasad. The president and CEO of the company's IT systems, Yutaka Saito, called on the minister and discussed the possibility of Hitachi offering its banking solutions to India Post, which has got an in-principle approval from the Reserve Bank of India (RBI) for starting a payments bank.

*December 16, 2015*

[Postal Vision 2020: Sixth Annual PostalVision 2020 Event Addresses Consumer Empowerment in Supply Chain Event to Explore Future of American Postal System and the Global Impact of "B2Me"](#)

## POSTAL/FEDERAL NEWS

**Federal Register:** **Postal Regulatory Commission NOTICES** Public Inquiry on Commission Jurisdiction over Postal Service Determinations to Close or Consolidate Post Offices , 78260–78262 [2015–31572] [[TEXT](#)]

## NATIONAL NEWS

[Echo Press](#): Along with the hustle and bustle of the Christmas season comes a complaint that seems to get bigger and louder each year: frustration over the United States Postal Service. The post office argues that it is combating the service issues by providing many more online services. But for many people who still want the person-to-person service when it comes to buying stamps or sending a Christmas gift to their grandchild across the country, this isn't giving them what they want or need. The most common complaints we hear from post office patrons is that the lines are long, the service is slow, and the employees simply don't seem to care. If a private business offered that kind of service, customers would leave and patronize a competitor who offered better service. Where are these customers supposed to turn when the U.S. Postal Service has a monopoly on this service? When did it become the expectation that customer service is something only meant for privately-owned business? The current postal standards are simply unacceptable.

## INTERNATIONAL NEWS

**EUROPE:** [The Star](#): France's competition regulator has fined 20 package delivery companies, including the French operations of FedEx and DHL, a total of 672 million euros (\$1,012 billion Cdn.) for colluding on price increases over a period of six years. The competition authority's ruling Tuesday outlined secret meetings from 2004-2010, and said the price rises implemented were especially damaging to small businesses that use package delivery services. In one case, companies agreed to a standard system to pass on higher diesel costs to customers, the authority said. And in another, it said some companies had been planning an annual 5 per cent increase, but after secret meetings with representatives from other delivery companies, decided to raise them 7 per cent instead. Regulators discovered the activity thanks to a special program of clemency for whistleblowers. FedEx Express said in a statement that the company "is currently analyzing the decision" and may consider appealing it. It noted that the case concerns activities by another company Tatex, which FedEx acquired in 2012. Deutsche Post-DHL spokesman Daniel McGrath confirmed that the company has received the regulator's decision, but would not comment further. "We are reviewing it in more detail," he said.

*December 15, 2015*

## POSTAL/FEDERAL NEWS

**U.S. Mint:** The United States Mint in 2016 plans to discontinue distribution of mail order forms after January 1, 2016, and stop all mail order sales at the end of the current fiscal year, on September 30, 2016. The reality of the digital environment means that paper orders placed through the mail are increasingly not accepted as inventory is depleted quickly through online and telephone channels in real time. This is especially true for high-demand products with limited mintages. By eliminating mail orders and encouraging all customers to shop online or by phone, the Mint will be offering more ordering consistency and eliminating those hard copy orders that take longer to receive, process and fulfill. The next mailing of U.S. Mint product brochures scheduled for January will be the first to not include mail order forms for Mint products. Mail order forms still in circulation for current products will continue to be accepted through September 30, 2016. Customers are being informed of the change through web notices, emails and letters, and in catalog mailings. All new catalogs and other marketing materials distributed in 2016 will not include a mail order form. Materials will include information directing customers to place orders by calling (800) USA-MINT, visiting [www.catalog.usmint.gov](http://www.catalog.usmint.gov) or shopping at one of our point-of-sale locations at the Mints in Washington, Philadelphia or Denver. After September 30, 2016, any mail orders received will be returned to customers with instructions to place the order by telephone or online, provided the products are still available.

### ***USPS Office of the Inspector General:***

- [Terminal Dues in the Age of Ecommerce](#) -- Terminal dues is the system that posts use to pay one another for international deliveries of letters and small packages. The global terminal dues system, updated every four years by the Universal Postal Union (UPU), does not fully reflect actual domestic processing and delivery costs. As a result the U.S. Postal Service and other operators have lost money on international postal letters and small packages received from abroad, especially from emerging countries like China. The explosive growth in cross-border ecommerce traffic has greatly elevated stakeholders' concerns about the economic distortions created by the system. In our report, we assess the impact of these distortions in the international small package market, with a focus on the U.S.-to-China corridor. Our research shows that terminal dues create winners and losers among posts and retailers. Finally, the paper addresses the need for comprehensive terminal dues reform and discusses possible fixes to the system, such as moving all small packages from terminal dues toward self-declared, cost-reflective rates. [Full Report](#)
- [Terminal Dues Review](#) -- Terminal dues have generally been kept artificially low — below domestic postage rates — because of a complex negotiation process. As a result, the Postal Service and other operators have lost money on international postal letters and packages received from abroad, especially from emerging countries like China. On the other hand, they have paid less than what it costs to deliver the item to countries with high postage rates like Norway. These economic distortions are not new. For decades the Universal Postal Union (UPU) — the United Nations agency that governs the international terminal dues system — has been working to reduce the gap between terminal dues and domestic rates. The UPU's one-country-one-vote decision-making system has made progress slow and difficult given countries' widely divergent views and interests. The Postal Service has been able to negotiate with selected countries separate rate agreements that are more favorable than terminal dues — but this is just a partial solution. The paper suggests an overhaul of the terminal dues system, and reviews reform measures under discussion.

### ***Federal Register:***

<b>Postal Regulatory Commission</b>	
<b>NOTICES</b>	
New Postal Products , 77674 [2015–31486]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
<b>Postal Service</b>	
<b>NOTICES</b>	
Product Changes:	

	Parcel Select Negotiated Service Agreement ,	
	77674 [2015-31448]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
	Priority Mail Express and Priority Mail Negotiated Service Agreement ,	
	77674-77675 [2015-31451]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
	Priority Mail Negotiated Service Agreement ,	
	77674 [2015-31454]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>

## NATIONAL NEWS

**MarketWatch:** Either e-commerce sales are better than expected, or United Parcel Service Inc. (NYSE: UPS), FedEx Corp. and the U.S. Postal Service are falling down on the job. Or maybe both. A new study from retail research operation Kurt Salmon reports that delivery time of online orders has gotten 20% worse than last year.

**Street Insider:** United Parcel Service and FedEx are expected to see a ramp in shipments as the holiday shopping season comes to a close. And, those orders might be taking longer than usual. In a recent survey, management consulting firm Kurt Salmon said that the "average order-to-delivery time across all 62 retailers studied was 6.9 days," which is about 20 percent slower than last year.

**Market Realist:** In 2013, express delivery companies were caught by surprise with the sudden surge in volume coupled with bad winter weather. As a result, FedEx and UPS ended up missing a lot of deliveries. Huge volume should actually mean good news for these courier companies. However, this opportunity comes at a cost. High volume for only three months of the year means that companies cannot invest billions of dollars in adding capacity that would be underutilized for the rest of the year. In 2014, UPS ended up making a similar mistake by adding a lot of capacity that could not be utilized later, damaging its full-year performance. Similarly, FedEx's heavy investments this year have subdued its profitability. On the other hand, not adding any capacity could mean missing the holiday season opportunity. However, FedEx has been prepared to take advantage of this surge in demand. Some of the steps taken by the company are: Tight capacity management: Cutting dedicated flights and instead using passenger flights for delivery, which is a slower but cheaper option. The company works with customers to even out promotions throughout December, instead of just during Christmas week Cap on package volumes: FedEx will not accept more packages than it can deliver. For 2016, FedEx plans to invest heavily (\$1.6 billion capex) in its fastest-growing segment, FedEx Ground.

**MyNorthwest:** Delivery services are feeling the added pressure of a society increasingly making their holiday purchases online, so much so that they are renting trucks from moving companies. People (even our own staff) have spotted United Parcel Service drivers making deliveries in rental trucks. FedEx also joins the mix when the need arises. The United States Postal Service has added about 125 minivans to its fleet in the Puget Sound region, spokesperson Ernie Swanson said. USPS expects to see an increase of 10-11 percent in parcel business this season. That 10-11 percent increase is "virtually all online orders," Swanson said. "The vast majority of it." Swanson said there is "a lot of business" coming from Amazon. The postal service is expecting to ship about 6 million parcels around the country.

**Dead Tree Edition:** The U.S. Postal Service is using low rates to muscle aside its private competitors and grab nearly all the growth in e-commerce-related shipments, according to a UPS analysis.

## INTERNATIONAL NEWS

**AUSTRALIA: Sydney Morning Herald:** FedEx will start competing more aggressively for shipments to online shoppers this week by introducing a new home delivery service that allows people to choose when and where they collect their parcels. People who receive deliveries made by the US logistics group, which focuses on the international express delivery market, can use the new service to log onto a website and choose what date they want their package delivered, as well as where they pick it up.



**FRANCE - UNITED KINGDOM:** [Telegraph](#): Royal Mail has been hit with a landmark fine from the French competition authorities after its parcel delivery subsidiary took part in one of the largest price fixing cartels in corporate history. The UK postal group was forced to pay €55m (£40m) by the Autorité de la Concurrence, after its subsidiary GLS France colluded with 20 courier and shipping firms to set customer prices for a period of six years. The French investigators slammed the group with a total fine of €672m, the second largest in the organisation's 15-year history. The cartel was found to have manipulated fuel surcharges when agreeing prices for the delivery of packages and goods between 2004 and 2010.

*December 14, 2015*

## POSTAL/FEDERAL NEWS

**Attention Business Customer Gateway Users:** We are continuing to experience processing delays within the Seamless Acceptance and Service Performance (SASP) application (tracked by ticket 968554). MicroStrategy Reports are delayed. We are continuing to work to resolve the issue.

### **Postal Regulatory Commission:**

- **PI2016-1 Comments of the Association for Postal Commerce and Major Mailers Association**  
[http://www.prc.gov/docs/94/94009/PCOM-MMA\\_Cmts PI2016-1.pdf](http://www.prc.gov/docs/94/94009/PCOM-MMA_Cmts_PI2016-1.pdf)

## NATIONAL NEWS

[eCommerceBytes](#): If UPS has its way, it could cost more to ship a package through the U.S. Postal Service. The shipping giant is petitioning federal regulators to force the Postal Service to adjust the way it calculates its costs, arguing that the agency is using the proceeds from its monopoly First Class mail to subsidize the delivery of the shipping services where it competes with private carriers. UPS is alleging that in keeping competitive shipping prices artificially low, the Postal Service is violating the 2006 Postal Accountability and Enhancement Act (PAEA), which granted the agency more pricing freedoms, but barred it from using its monopoly in letter mailing to subsidize competitive shipping products. Kara Ross, a UPS spokeswoman, explained that the petition is not a direct appeal for the Postal Regulatory Commission to force an increase in shipping rates.

## INTERNATIONAL NEWS

[Pacific Standard](#): The affordable and efficient postal service we take for granted was a modern innovation, pushed by a global wave of reform starting in 1840. By 1874, newly streamlined national systems were connected through a global body, now known as the Universal Postal Union, which has since helped make sending international mail cheap and easy. A rising chorus of critics, though, claim that the UPU has lost its way. Its politicized and arcane system of pricing agreements has limited competition from private companies and turned national posts against each other, while subsidizing small-parcel e-commerce from developing countries like China. The core problem is something known as terminal dues, international transfers which a growing body of research shows are skewing economic motivations worldwide. UPU administrators have stated that the body is working to make terminal dues more country-specific and cost-based, which would eliminate the current skewed incentives. But rates are set by a political rather than administrative process, and the arcane nature of the issues has generally led home governments to defer to their postmasters' judgments—and what benefits a nation's postal service doesn't necessarily benefit its citizens.

**UNITED KINGDOM:** [Mirror](#): Jeremy Corbyn today vowed to bring the Royal Mail back into public ownership. The Labour leader made the pledge as he supported posties in North London marking National Postal Workers' day. He warned that privatisation threatened workers' pay and conditions as well as the universal service obligation that guarantees everyone in the UK gets their post delivered for the same price. "I want to see a publicly-run Royal Mail, with protection for workers and the service. "Labour will be doing our very best to support and protect your conditions," he told workers outside the Mount Pleasant sorting office. Mr Corbyn said ending the universal obligation could see rural communities "end up with no postal service whatsoever."

*December 13, 2015*

## **NATIONAL NEWS**

**NASDAQ**: Christmas 2013, where customers who purchased items well in advance of the drop-dead deadline to get packages delivered by the holiday still hadn't received them weeks afterwards, Amazon's top priority became assuming more responsibility for delivery of its own packages. UPS, and to a lesser extent FedEx, ran into a perfect storm of poor weather conditions during the peak delivery period just as a lack of logistical planning collided with unrealistic expectations set by the retailers themselves, who offered cheap or free delivery right up to the last possible minute. Big Brown ended up with a horrendous 83% on-time delivery success rate, while FedEx was hardly better at 90%. It was left to Amazon, though, to refund shipping costs to irate customers and hand out \$20 gift certificates as compensation. Amazon still relies heavily upon UPS, FedEx, and the Postal Service for the bulk of its package delivery needs, because profitably scaling up such logistics-intensive services isn't easy. It's estimated that Amazon runs about 35% of its packages through the U.S. Postal Service, 30% through UPS, and around 17% through FedEx. Regional shippers account for around 18% of the total.

**Financial Times**: Amazon has set its sights on a new goal — taking its logistics technology beyond the warehouse and direct to customers' doors, as the company pushes into same-day and one-hour delivery. Amazon has been investing heavily in the logistics needed to extend all the way through its delivery chain. It is buying its own truck trailers, hiring on-demand delivery workers and building a new type of delivery hub — with technology that has thus far been kept under wraps — in major cities from Seattle to New York. Analysts believe door to door delivery could be the next big sector that Amazon disrupts, in the same way it shook up cloud computing services by launching Amazon Web Services. "The logical next step is, if you are going to have all this infrastructure, why not open it up to be a competitor to logistics networks like FedEx and UPS," says Scot Wingo, executive chairman of ChannelAdvisor, a software provider for retailers that use Amazon and eBay. "I fully believe it's something they could go after and be successful at."

*December 12, 2015*

## **POSTAL/FEDERAL NEWS**

**Federal Register**: **Postal Regulatory Commission NOTICES** New Postal Products, 77383–77384 [2015–31373] [[TEXT](#)] 77384 [2015–31374] [[TEXT](#)]

## **NATIONAL NEWS**

**National Association of Letter Carriers**: There has been no more damaging legacy of the 2006 Postal Accountability and Enhancement Act (PAEA) than the onerous and inflexible legislative mandate to pre-fund future retiree health benefits decades in advance. That \$49-billion-and-counting mandate has caused the vast majority (86 percent) of the Postal Service's reported losses over the past nine years. It also has obscured from view the \$2.9 billion in USPS operating profits recorded over the past three years (2013-2015) as the economy and the Postal Service bounced back from the Great Recession. But the PAEA's legacy on postage rates also is very important to understand as we work to reform the law in Congress and get ready for a major proceeding at the Postal Regulatory Commission (PRC) to establish the postal ratesetting process of the future. That proceeding is mandated by law to begin next year.

**ABCNews**: The influx of online shopping during Cyber Monday has led to some delays in delivering packages to customers. According to ShipMatrix, a company that tracks delivery rates of different carriers, both FedEx and the UPS had slower delivery rates throughout the week following the Black Friday and Cyber Monday shopping period. Both companies generally have a 97 percent delivery rate, ShipMatrix research analyst Mark D'Amico told ABC News. During the week of Cyber Monday, however, they both received a 91 percent rating by ShipMatrix.

**Washington Post**: The United States and Cuba said Friday that they will re-establish direct mail service between the two countries for the first time in more than a half century, the latest sign of thawing relations between the long-time

adversaries. In separate statements, the State Department and the Cuban embassy in Washington said the agreement was reached Thursday during discussions in Miami. It calls for a pilot program to provide mail flights between the United States and Cuba, rather than routing mail through a third country as has been done for decades. But the details remained sketchy. As for mail, direct postal service between the United States and Cuba was suspended in 1963, the year the Kennedy administration tightened the trade embargo on Cuba and made all but a sliver of travel there illegal for American citizens. Since then, the U.S. Postal Service has been unable to deliver mail directly to Cubans and has had to route letters and packages through third countries. The service is widely known to be slow and unreliable. International express mail is not available, and an entire page of the postal service website still lays out various other restrictions, including how eligible gift parcels destined for Cuba can only include things such as food, medicines and "personal hygiene items."

*December 11, 2015*

**POSTAL/FEDERAL NEWS**

**Senate Committee on Homeland Security and Governmental Affairs:** It looks as if Sen. Carper's iPost bill will be discussed at a Senate Committee hearing on January 21, 2016. Details to follow.

**USPS Industry Alert:** On December 10, 2015 the Postal Regulatory Commission issued Order No. 2861 approving the five proposed USPS Mailing Promotions for calendar year 2016. These promotions continue to build on the engagement strategies of the 2015 Promotions. The promotions focus on providing marketers with the opportunity to engage their customers by using dynamic color, new print techniques, mobile technology as well as traditional and innovative mail techniques. The promotions are designed to create excitement about mail, provide multiple opportunities for mailers to enhance the value of their mail and will offer incentives or discounts to mailers throughout 2016. [The schedule has been posted on this site.](#)

**Federal Register:**

<b>Postal Regulatory Commission</b>	
<b>NOTICES</b>	
New Postal Product , 77030 [2015-31166]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
New Postal Products , 77029-77030 [2015-31165] 77030-77031 [2015-31187]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a> <a href="#">[TEXT]</a> <a href="#">[PDF]</a>
<b>Postal Service</b>	
<b>NOTICES</b>	
Meetings; Sunshine Act , 77032 [2015-31432]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
Product Changes:	
Priority Mail Express and Priority Mail Negotiated Service Agreement , 77031 [2015-31171]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
Priority Mail Negotiated Service Agreement , 77032 [2015-31172] 77031 [2015-31173] 77031-77032 [2015-31180] 77031 [2015-31181]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a> <a href="#">[TEXT]</a> <a href="#">[PDF]</a> <a href="#">[TEXT]</a> <a href="#">[PDF]</a> <a href="#">[TEXT]</a> <a href="#">[PDF]</a> <a href="#">[TEXT]</a> <a href="#">[PDF]</a>

**Postal Regulatory Commission:** The PRC has approved the 2016 promotions. It ordered: The Commission finds that the Postal Service's planned temporary promotions relating to First-Class Mail and Standard Mail as described in the United States Postal Service notice of Market Dominant Price Adjustment, filed November 16, 2015, are consistent with 39 U.S.C. § 3622(d), and may take effect as planned. The sum of the unused rate authority for First-Class Mail is 0.074 percent, which includes 0.010 percent created by Docket No. R2015-4, Order No. 2365, Order on Price Adjustments for First-Class Mail Products and Related Mail Classification Changes, February 24, 2015, (expiring January 15, 2020) and 0.064 percent in new unused authority. The sum of the unused rate authority for Standard Mail is 0.104 percent, which includes 0.040 percent created by Docket No. R2015-4, Order No. 2472, Order on Revised Price Adjustments for Standard Mail, Periodicals, and Package Services Products and Related Mail Classification Changes, May 7, 2015, (expiring January 15, 2020) and 0.064 percent in new unused authority. 4. Revisions to the Mail Classification Schedule appear below the signature of this Order and are effective March 1, 2016.

## NATIONAL NEWS

**The Washington Post:** **Mitch McConnell is tamping down expectations for any breakthrough legislative accomplishments in the final year of Barack Obama's presidency.** "I'd be surprised," the Senate majority leader said in an exclusive interview with The Washington Post.

**Politico:** The end of the year typically is a time for the Senate to come together and clear the decks of presidential nominees that have stacked up awaiting confirmation. This is not a typical year. Story Continued Below After months of bruising political battles, and ahead of a presidential election, many Republicans are in no mood to confirm President Barack Obama's picks for lifetime judicial appointments — or even more routine executive branch nominees. For the GOP, there's little political incentive to help out a lame-duck administration, especially when Republicans hope to take back the White House in 2016, and install their own picks. Overall, the caucus is united in trying to slow confirmations to a trickle: Opposing the president is often an easy way to increase party unity.

**Financial Times:** Amazon has set its sights on a new goal — taking its logistics technology beyond the warehouse and direct to customers' doors, as the company pushes into same-day and one-hour delivery. Amazon has been investing heavily in the logistics needed to extend all the way through its delivery chain. It is buying its own truck trailers, hiring on-demand delivery workers and building a new type of delivery hub — with technology that has thus far been kept under wraps — in major cities from Seattle to New York. Analysts believe door to door delivery could be the next big sector that Amazon disrupts, in the same way it shook up cloud computing services by launching Amazon Web Services. The cost of getting packages to customers' doors has been rising relative to sales, reaching 12 per cent of net sales in the most recent quarter. Analysts say **the group is experimenting with doing more deliveries itself — rather than using parcel delivery and postal services — as a way to potentially cut costs over time.** Amazon has traditionally relied on third-party partners for the last mile — getting packages to a customer's door — such as UPS, FedEx and the US Postal Service.

**The Hill:** If Americans have noticed that their mail is being delivered later and more erratically in 2015 than in the past, it is not their imaginations — it is true. On Aug. 13, 2015 the U.S. Postal Service (USPS) Office of Inspector General released a report highlighting a "Substantial Increase in Delayed Mail." The number of letters arriving late had jumped by almost 50 percent (494 million pieces) since the start of the year. As a result, the Government Accountability Office (GAO) was asked by Congress to analyze the Postal Service's effectiveness in providing prompt, affordable and reliable mail service in order to develop further understanding of the problems at hand. What the GAO found in its Sept. 30, 2015 report was that the USPS's tracking system for measuring on-time delivery of mail was so erratic that it became impossible to complete any form of legitimate performance analysis. According to the report, **information on delivery performance has lacked transparency** and was haphazardly cataloged, making it difficult for stakeholders to access. The GAO report also observed that the USPS's oversight body, **the Postal Regulatory Commission, has not taken significant action to force the USPS to properly measure and report this information.** The GAO determined that information for 45 percent of market-dominant mail products was incomplete and faced various limitations. This includes, and is not limited to, an absence of printed barcodes, which are among USPS's most basic tracking mechanisms. Having a greater command of this performance data would be essential for effective management, oversight and accountability. **Concerns related to mismanagement**

**and lack of transparency at the USPS is certainly not a new story.** Instead of pouring resources into ill-advised ventures, the USPS must redirect its focus back toward its core products. This means ensuring that data regarding delivery times are accurately measured and made available, and also verifying that the prices set for letter delivery reflect the actual costs. As it currently stands, **far too little is known about the USPS's on-time delivery statistics.** It is also unclear whether the money we are all paying for letter mail is actually going to support this primary service, and not inappropriately being used to prop up the agency's new expansions. The path to restoring the USPS to stable fiscal footing begins with an accurate assessment of the agency's financial landscape, **greater accountability, and transparency** for all stakeholders. Such a commonsense approach would be an easy first step for Congress to take when it addresses postal reform in the future.

**Wall Street Journal:** United Parcel Service Inc. is straining to handle a surge in online sales that has resulted in more holiday volume than it had expected, causing a wave of disruptions that could spell trouble for the holiday season. On-time delivery rates for UPS ground packages based on their normal shipping transit times last week fell to 91%, according to an analysis of millions of packages by software developer ShipMatrix Inc. During the same week last year, the on-time rate was 97%, which is UPS's usual average during nonpeak months. FedEx Corp.'s early numbers were also lower than usual at an estimated 95%. UPS has been slammed with unexpectedly high volumes, extra pickups and not enough staff and equipment to handle all of the packages in some locations, according to people familiar with the matter.

**Pacific Business News:** Small businesses in Hawaii that rely on the U.S. Postal Service for shipping packages will get a not-so-welcome present from the post office next year when it implements a costly shipping requirement. Starting on Jan. 17, the USPS will require all parcels to ensure the accuracy of delivery addresses. If a parcel address is not complaint, the USPS will charge 20 cents per piece.

**Broadway World:** The Smithsonian's National Postal Museum is unveiling an exhibition of original artwork on Dec. 10 titled, "New York City: A Portrait Through Stamp Art." On display through Mar. 13, 2017, 30 pieces of original artwork will be publically displayed for the first time, celebrating the influence of New York City on American society. The artwork is part of the Postmaster General's Collection, which includes more than 5,000 original pieces of art commissioned by the U.S. Postmasters General for stamps issued during a 70-year period. The collection includes not only the final approved art that can be seen on many U.S. postage stamps, but also concept drawings that were submitted for consideration but never used. The collection is owned by the U.S. Postal Service and is on long-term loan to the National Postal Museum. The exhibition provides the museum an opportunity to raise awareness of the collection.

## INTERNATIONAL NEWS

**CUBA:** **BNO News:** Cuba and the United States have reached an agreement to re-establish direct postal service between both countries after more than 5 decades. A pilot program is expected to start soon.

**NETHERLANDS:** **Post & Parcel:** The Dutch postal regulator ACM has today (11 December) published a decision requiring PostNL to give its competitors more detailed information regarding the rates and terms for the services it provides to its corporate customers. PostNL, however, has opposed the decision, arguing that providing this level of information to its competitors would give them an advantage over PostNL in offering rates and discounts to customers.

*December 10, 2015*

## POSTAL/FEDERAL NEWS

***Federal Register:***

<b>Postal Regulatory Commission</b>
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<b>NOTICES</b>
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New Postal Products ,	
76714–76715 [2015–31115]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
76715 [2015–31136]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
<b>Postal Service</b>	
<b>NOTICES</b>	
Meetings; Sunshine Act ,	
76716 [2015–31322]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>

**Postal Regulatory Commission:**

- PI2016-2 Order No. 2862 - Notice and Order Seeking Comments on Commission Jurisdiction over Postal Service Determinations to Close or Consolidate Post Offices <http://www.prc.gov/docs/93/93969/Order%20No.%202862.docx>  
<http://www.prc.gov/docs/93/93969/Order No. 2862.pdf>

**NATIONAL NEWS**

**Direct Marketing News:** It's 2016 and the Postal Board of Governors has ceased to exist for lack of congressional interest.

**BusinessWire:** Digital disruption is affecting nearly every aspect of the global post and parcel industry, from transforming the customer experience and the upheaval of last-mile delivery services to recruiting and retaining digitally savvy teams and leveraging the intelligence from analytics, according to a new report from Accenture. The report – "Achieving High Performance in the Post and Parcel Industry: Accenture Research and Insights 2015" – is based on a comprehensive analysis of 30 postal agencies and delivery companies across five continents, which together represent about 90 percent of the world's mail volume. The report introduces the Accenture Post and Parcel Digital Performance Index, evaluating digital readiness in three key areas: digital strategy (ensuring that digital is represented in strategic plans and organizational vision), digital servicing (assessing and launching digital products and services) and digital enablement (effectively making digital "business as usual" and not the exception). The performance index demonstrates how digital investments are positioning the organizations included in the study for growth and evaluates companies and agencies according to their current digital capabilities.

**FedScoop:** Postage and shipping sales on the U.S. Postal Service's website generated more than \$1 billion in fiscal year 2015, making USPS.com the largest post office in the country. The financially troubled federal agency also reported Tuesday that its site's sales exceeded those of its brick-and-mortar post offices in the country's largest media markets — New York City, Los Angeles, Chicago, Philadelphia and Dallas. "We're everywhere, so you can be anywhere," USPS Acting Chief Marketing and Sales Officer and former Chief Information Officer Jim Cochrane said in a statement. "Your Post Office is as close as your desktop or smartphone, so doing business with us is fast and convenient during this busy holiday season and all year long." The news comes as the independent agency attempts to bolster its online and digital offerings.

**December 9, 2015**

**NATIONAL NEWS**

**Direct Marketing News:** The terms of Postal Service Governors Louis Giuliano and Ellen Williams expired yesterday, leaving James Bilbray (pictured below) as the lone outside advisor to Postmaster General Megan Brennan and Deputy Postmaster General Ronald Stroman. It also leaves Bilbray, a former congressman from Nevada, as the de facto chairman of the board. Five board nominees passed muster in the Senate Homeland Security and Governmental Affairs Committee last year, but political pressure applied by postal unions have sidetracked their approvals."The postal unions, through Senator Bernie Sanders, have placed a hold on the nominees," said Gene Del



Polito, president of the Association for Postal Commerce. "The unions object to having at least two of the former governors from being reappointed. Until this hold is lifted, everything will stay in limbo."

***Coronado Patch:*** A businessman pleaded guilty Tuesday to defrauding the U.S. Postal Service out of postage due on more than 9,000 packages shipped from San Diego to eBay customers throughout the United States between April 2009 and October 2010. Jack Zeljko Pasic, 51, is scheduled to be sentenced Jan. 8 by U.S. District Judge Cathy Ann Bencivengo. Prosecutors said that from 2008 through 2010, Pasic ran a company, Diavega, which sold items to customers on eBay. In April 2009, Pasic purchased a postal meter to print postage labels that he would use to ship packages to his Diavega customers. Pasic altered the postage labels, however, to conceal that he had paid only one cent in postage when a larger amount was actually owed, prosecutors said. According to the plea agreement, Pasic also labeled the packages to falsely indicate that they were being sent from, and mailed to, the same address in an effort to ensure that the items he shipped would reach their intended destination.

***December 8, 2015***

## **POSTAL/FEDERAL NEWS**

### ***Senate Committee on Homeland Security and Governmental Affairs:***

Today, due to Congressional inaction, the U.S. Postal Service's (USPS) Board of Governors has lost another two of its nine Senate-confirmed members, leaving only one appointed official to do the work of managing USPS activity alongside the Postmaster General and her management team. There are currently five nominees pending before the Senate.

Sen. Tom Carper (D-Del.), ranking member of the Homeland Security and Governmental Affairs Committee, released the following reaction to the news:

"Because of Congress' inability to come to consensus on postal reform legislation over the last five years, the Postal Service continues to twist in the wind, only able to address the financial challenges it faces by degrading its primary service, fast and efficient delivery of the mail. Customers and stakeholders are left with uncertainty about what the future holds for the Postal Service and how the Postal Service will transform itself to remain relevant in the digital age.

"Today, Congress made that uncertainty even worse. Obstruction in Congress has made it impossible to consider the five pending nominees for the Postal Board of Governors before the current board was rendered ineffective by term limits. This is negligence on the part of Congress. This would never occur in the private sector because shareholders would demand oversight from a strong board to protect their investment. Congress has failed to protect postal customers. Congress must act now to restore appropriate oversight to this vital \$70 billion government-backed corporation and to enact reforms that will restore service and faith in this 200-year-old institution. This is particularly pressing as we enter the winter holidays where shipping and mail volume are expected to increase exponentially.

"Congressional inaction represents a failure to meet part of the Senate's most basic responsibilities: to provide advice and consent on nominations in a thorough and timely manner and to provide agencies with the leadership they need to be successful. We can easily right this wrong. I urge my Senate colleagues to come together and act on the nominees for the Postal Board of Governors and on postal reform legislation as soon as possible."

Sen. Carper introduced the Improving Postal Operations, Service, and Transparency Act of 2015 (iPOST) in September. iPOST reflects the views of a broad range of stakeholders and offers a compromise solution to the difficult issues that Congress and the Postal Service have struggled with for years. The bill includes a comprehensive package of reforms that would place the Postal Service on firm financial footing, stabilize and improve service performance, allow for the

development of new products and services, and enhance transparency. The bipartisan bill is cosponsored by Sens. Jerry Moran (R-Kan.), Claire McCaskill (D-Mo.), and Roy Blunt (R-Mo.).

For more information, including a section-by-section summary of the bill and bill text, please visit: [www.carper.senate.gov/postalreform](http://www.carper.senate.gov/postalreform)

**USPS Office of the Inspector General: Zip Code Allegiance** -- The U.S. Postal Service created the Zone Improvement Plan in the early 1960s to organize mail operations and delivery throughout our vast nation. ZIP Codes are associated with mail volume, delivery-area size, and geographic location, not necessarily municipal or community boundaries. But Aunt Minnie might not see it that way. For many Americans, their ZIP Code provides not just a community boundary of some kind, but – along with their physical mailing address – an attribute of their identity. ZIP Codes may mark a place as home or reflect the perceived identity of a town or neighborhood. In some areas, your ZIP Code can be used to determine everything from the value of your property to the school your children attend. All of this might explain why changes to ZIP Codes cause so much community consternation. In our recent Management Advisory, we assessed the Postal Service's process for managing and evaluating ZIP Code requests.

#### **Postal Regulatory Commission:**

- The [Postal Regulatory Commission](#) has an exciting employment opportunity for a highly motivated person with experience and/or other knowledge in data analysis.
- Postal Service Filing of International Post Corporation (IPC) Interconnect Operations Framework Agreement, Pursuant to 39 U.S.C. Sec. 407(d)(2) [http://www.prc.gov/docs/93/93925/IPC Agreement Final.pdf](http://www.prc.gov/docs/93/93925/IPC%20Agreement%20Final.pdf)
- MT2013-1 Metro Post Data Collection Report, Fiscal Year 2015, Quarter 4 <http://www.prc.gov/docs/93/93932/DCR%20FY15%20Q4.Public.pdf>
- MT2014-1 Customized Delivery Data Collection Report, Fiscal Year 2015, Quarter 4 [http://www.prc.gov/docs/93/93931/DCR FY15 Q4.Public.pdf](http://www.prc.gov/docs/93/93931/DCR%20FY15%20Q4.Public.pdf)

#### **Attention PostalOne!® and Business Customer Gateway Users:**

- **PostalOne! & BIDS Release 42.0.0.0** – PostalOne! & BIDS Release 42.0.0.0 will deploy on Sunday, January 3, 2016 between 12:00 AM to 10:00AM CT. The PostalOne! system will not be available during this time. · **A new Mail.dat® client download 42.0.0.0\_PROD will be required after this release.** All previous versions of the Mail.dat client will be expired.
- **PostalOne! Releases 42.0.0.0 Deployment to Test Environment for Mailers (TEM)** - will occur on Monday, January 4, 2016 between 6:00 AM to 4:00 PM.. The PostalOne! TEM environment will not be available during this time.
- **Seamless Acceptance and Service Performance (SASP) Release 21.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 10:00 AM CT. This release includes fixes to known SASP issues to include updates to select Full-Service and Seamless Verifications.
- **Program Registration Release 15.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 8:00 AM CT. The Program Registration application will not be available during this time.
- **Centralized Accounts Processing System (CAPS) Release 42.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 8:00 AM CT. The CAPS application will not be available during this time.
- **Facility Access and Shipment Tracking (FAST) Release 32.0.0.0** will deploy on Sunday, January 3, 2016 between 12:00 AM to 8:00 AM CT. The FAST application will not be available during this time.
- **Full Service Intelligent Mail Device (FS IMD) Release 42.0.0.0** will deploy on Monday, January 4, 2016 through Friday, January 8 to their Pilot Environment. The production release will be implemented at the end of January.
- **January 2016 Price Change** - As a reminder, the January 2016 Price Change for Competitive Products goes into effect Sunday, January 17, 2016. New postage statements associated with the January 2016 price change are available on Postal Explorer® at [pe.usps.com](http://pe.usps.com). The Postage Statement link is in the left column under January 2016 Price Change Information. As of January 17, 2016, the new January 2016 postage

statements are required for Priority Mail® (PS Form 3600-PM), First-Class Package Service® (PS Form 3600-R), Parcel Select® (PS Form 3605-R), and International Mail (PS Form 3700). When mailing Market Dominant (Mailing Services) products, you may continue to use the May 2015 statements (Standard Mail® PS Form 3602R, Standard Mail Nonprofit PS Form 3602N, First-Class Mail® PS Form 3600 FCM, and Periodicals PS Form 3541) until the next Market Dominant price change.

## NATIONAL NEWS

***Globe Newswire:*** International Bridge, a leading provider of small-parcel delivery services in the U.S. and Asia, is pleased to announce the appointment of Shoshana Grove as Chief Executive Officer, a recently formed position, with primary responsibility for driving the company's global parcel delivery strategies. Prior to joining International Bridge, Grove served as Secretary and Chief Administrative Officer of the Postal Regulatory Commission from 2009 through the fall of 2015. She is also active in mentoring future industry leaders serving as the Chair of Women in Logistics and Delivery Services (WILDS) and on the Board of Directors of Executive Women in Government (EWG).

***24/7WallSt.:*** In the fiscal year ended September 30, 2015, the U.S. Postal Service (USPS) generated sales totaling more than \$1 billion from its online store. Total post office revenues for the fiscal year were nearly \$69 billion. The relatively small portion of total revenues is due to combination of factors. Most of the services offered online do not generate revenues: package tracking, scheduling a pickup, hold or forward mail and estimating postage costs. Revenue is generated by sales of stamps, premium forwarding services and printing shipping labels for domestic and international package shipments.

***Transport Topics:*** The two parcel giants, UPS Inc. and FedEx Corp., still provide the lion's share of services in the United States, but the U.S. Postal Service is getting a boost from Amazon Inc. UPS and FedEx have long offered bargain shipping service lines where the private companies pick up packages from shippers and linehaul them to post offices, allowing federal letter carriers to do the last-mile work.

***Politico:*** With negotiations over a massive \$1.1 trillion budget package moving at a glacial pace, GOP leaders are now openly predicting that Congress will blow past a Dec. 11 deadline for funding the federal government. Top Republicans have vowed they won't allow a government shutdown. House Ways and Means Chairman Kevin Brady (R-Texas) told reporters that he expected to release a two-year tax extenders proposal on Monday evening. The tax-extender package and the spending bill are the final major two items Congress needs to complete before the end of the year, and the negotiations over them have become intertwined.

***Palo Alto Online:*** Citing a decrease in mail volume, the U.S. Postal Service will remove 81 mailboxes from Palo Alto neighborhood corners after the Christmas holiday, a postal service spokesman said. The box removals, which will reduce the number of collection boxes from 193 to 112 throughout Palo Alto, were set for today, Dec. 7, but USPS will keep them in place until after the holidays for customers' convenience, postal service spokesman Augustine Ruiz said. Notices on each box should direct people to the nearest remaining boxes.

## INTERNATIONAL NEWS

***INTERNATIONAL POSTAL CORPORATION: Post & Parcel:*** The International Post Corporation (IPC) Common Return Platform has reached 2 million returned items at the end of the third quarter 2015. Five years ago, IPC created the IPC Easy Return Solution together with five European posts. Since then, the solution has evolved due to market needs and now supports several international mail networks – EPG, KPG, PRIME, INTERCONNECT and UPU parcels – under the IPC Common Return Platform (CRP), which was launched two years ago. In September 2015, over 215,000 labels were created by the returns solution – on par with the yearly average for the first four years of the solution. Moreover, the number of items returned during first three quarters of 2015 (891,278) almost equalled the number of items returned during the previous four years (1,109,245). The Common Return Platform provides a return service enabling postal operators to collaborate on returning cross-border parcels to e-retailers. In simple terms, it allows e-customers in country A to return goods to e-sellers in country B. The service allows

authorised returns to be accepted at postal counters without payment, and then returned through the postal network to the e-seller which authorised the return.

**AUSTRALIA:***Sydney Morning Herald:* Australia Post is coping angry abuse from small business owners before Christmas over slow postal delivery times. While Australia Post's own website puts estimated letter delivery times at between one and four days, growing numbers of businesses are taking to Facebook to vent about letters taking weeks to arrive, or not arriving at all. Australia Post recently has hired an additional 55 customer service employees in the Australia Post Customer Contact Centre. It has also hired an additional 100 call-centre staff to help keep the lines of communication open with customers, Skehan says. However, a disgruntled customer posted on Australia Post's company Facebook page that his daughter recently waited to speak to a customer service representative for 50 minutes, with no answer. "Now, that's a great way to get rid of troublesome customers – just don't answer the phone," David Moodie posted.

**GERMANY:***Post & Parcel:* Deutsche Post DHL Group is currently testing "Postbus Courier", a service offering urgent parcel delivery through its own long-distance bus network, Postbus. The new offer is available for both private users as well as smaller business customers and will give the company another customer-friendly dispatch solution in addition to traditional parcel shipping and its DHL courier service.

*December 7, 2015*

## POSTAL/FEDERAL NEWS

**USPS DMM Advisory:** New Postage Statements Effective January 17, 2016 New postage statements associated with the January 2016 price change are available on Postal Explorer® at [pe.usps.com](http://pe.usps.com). The Postage Statement link is in the left column under January 2016 Price Change Information. As of January 17, 2016, the new January 2016 postage statements are required for Priority Mail® (PS Form 3600-PM), First-Class Package Service® (PS Form 3600-R), Parcel Select® (PS Form 3605-R), and International Mail (PS Form 3700). When mailing Market Dominant (Mailing Services) products, you may continue to use the May 2015 statements (Standard Mail® PS Form 3602R, Standard Mail Nonprofit PS Form 3602N, First-Class Mail® PS Form 3600 FCM, and Periodicals PS Form 3541) until the next Market Dominant price change.

## NATIONAL NEWS

**Observer:** The United States Postal Service, until now one of the most antiquated government agencies, is modernizing with a free service called Informed Delivery. Once you sign up on the website, the Postal Service will email you photos of your letter-size mail envelopes by 11 AM each day. (Magazine photos will be added in the near future.) After a successful pilot program in Virginia last year, Informed Delivery is expanding to all New York City ZIP codes, along with Connecticut ZIP codes beginning with 066 or 069. You can get up to 10 mail images in one email, and additional photos can be found on the My USPS online dashboard, which also tracks packages. Only customers who have mail delivered to their homes, or to PO boxes, are eligible to use Informed Delivery—the service is not open to businesses yet. The Postal Service announcement is somewhat ironic given how fervently the agency fought against Outbox, a startup with a similar business model. After receiving funding from Peter Thiel, the service launched with great success in Austin and San Francisco in 2013. Customers signed forwarding contracts to allow their mail to be handled by Outbox. When founders Evan Baehr and Will Davis were contacted by then-Postmaster General Patrick Donahoe, they thought the agency wanted Outbox to help them save money. But instead Mr. Donahoe told them, "You disrupt my service and we will never work with you...Digital is a fad."

**TechTimes:** One day, Amazon will 'drop' your packages from the air via a drone but until then, the company will deliver your holiday packages via trucks. Amazon announced the addition of thousands of branded, trailer trucks in its delivery fleet that will be driven by third-party carriers. Amazon's Mike Roth, vice president of the company's operations in North America, stressed their long-standing relationship with various third-party carriers. However, they understand the need for additional capacity. To address this need, Amazon is equipping their carriers with their own trailer equipment just in time to make those holiday deliveries.

## INTERNATIONAL NEWS

**INDIA:** *[The Hindu Business Line](#)*: The e-mail may have replaced the snail-mail but India Post has survived the numerous obituaries written for it and become much sought-after once again on the strength of its unmatched network. After being pursued by e-commerce firms for logistics and other support, the country's oldest postal service provider is now being wooed by banks and insurance companies as it gears up for a debut in the payment banking business. The list of those keen to tie up with India Post includes marquee names like SBI, Bajaj Alliance, IDBI, YES Bank, HDFC and Axis Bank. There are 17 such banking and insurance companies who have shown interest to use the postal network for delivering their services such as EMI collection and insurance. According to government sources, these companies want to use the postal network by partnering with the India Post Payment Bank, which got licence from the RBI recently. Sources close to the development told BusinessLine that SBI could be the first bank to join hands with the Postal Department. "SBI chief (Arundhati Bhattacharya) and Kavery Banerjee, Secretary, Department of Posts, had a meeting recently and they discussed to work hand-in-hand for providing services to customers," an official said. Both the heads — of the largest bank and postal networks — discussed how they can leverage each other's strengths and help extend financial services to the disadvantaged, the official added.

**AUSTRALIA:** *[Drinks Business](#)*: With 100 million registered users, 1688.com is one of China's largest wholesale retailers and is owned by the Alibaba Group. It has just announced a partnership with Australia's national postal service, Australia Post which will enable online retailers to sell their wine in bulk to China, so that local producers "can have a faster speed-to-market" solution for their Chinese exports, said Australia's Business Insider. Five Margaret River wineries, EVOI Wines, Flametree Wines, Happs Wines, Laurance Wines and Rosily Vineyard have already signed up as today marks the official launch of the 'Australian pavilion.' The move comes as Australia capitalises on the Free Trade Agreement signed this year and seeks to export more of its bulk wine to China. MD and CEO of Australia Post, Ahmed Fahour commented that the platform was a good e-commerce solution for small and medium-sized businesses in China looking for imports.

**FRANCE:** *[ch-Aviation](#)*: Workers unions at ASL Airlines France (5O, Paris CDG) have petitioned the French postal service, La Poste, to review a decision awarding two Paris CDG contracts to Swedish firm West Atlantic Cargo Airlines (WACA). In a statement, the unions at ASL Airlines France, formerly known as Europe Airpost (5O, Paris CDG), slammed the move as being "socially destructive" as it could result in the loss of up to 465 jobs once the new contract kicks in on January 1, 2016.

**NETHERLANDS:** *[Telegraph](#)*: PostNL, the leading Dutch postal delivery service, is conducting a trial where postmen and women use a smartphone to take pictures of overflowing bins, unwanted dog mess or wonky signage, and then use a special app to send them to the city council for remedy.

**UNITED KINGDOM:** *[Financial Times](#)*: How many brands do you have in your kitchen, bathroom and office? The answer is probably somewhere between 500 and 1,000. Now think about how many of their makers you want to send you social media messages. A tweet from the maker of your bathroom handbasin? A Facebook post from the toaster company? "The answer is inevitably fewer than 10, and therein lies the problem," says Augie Ray, a former marketing analyst and social media expert who gives this exercise to social media marketeers. He adds that people do not like to be sent marketing messages and want to be in control of how they interact with brands. Yet social marketers are pumping out more messages than ever.

**UNITED KINGDOM:** *[Engadget](#)*: Postmates has offered one-hour deliveries in the US for a while now, and soon it'll be taking on the UK too. At the TechCrunch Disrupt conference in London, Postmates CEO Bastian Lehmann said the company's speedy services would be launching in London during the second quarter of 2016. The service is pretty simple. You open the app and make an order by searching or browsing the stores in your city. Once you've paid and selected a delivery address, Postmates will handle the rest -- its couriers can make the drop-off using a bike, scooter, car or truck, depending on what's most efficient. Postmates charges a small delivery fee and a service fee (in the US, it's 9 percent of your items) for the privilege, but in return you should be getting one of the fastest deliveries around.

*December 6, 2015*



## INTERNATIONAL NEWS

**SOUTH KOREA:** [Korea Times](#): Korea Post, the nation's state-run postal service agency, said Sunday it has attracted more than 300,000 budget phone subscribers. Korea Post launched its budget phone business in September 2013 as a part of the Ministry of Science, ICT and Future Planning's drive to reduce the burden of telecom expenses on households. Since then, it has drawn about 12,000 new subscribers every month on average while expanding the number of postal offices selling handsets from 226 to 1,300. Korea Post said the average monthly telecom expense of its budget phone services is about 11,000 won, which is 70 percent cheaper than 36,000 won at private-sector telecom operators -- SK Telecom, KT and LG Uplus.

*December 5, 2015*

## POSTAL/FEDERAL NEWS

**USPS Office of the Inspector General:** [Mail Transport Equipment Service Centers – Nationwide Assessment](#)

**Background.** The U.S. Postal Service's Mail Transport Equipment Service Center (MTEESC) network is composed of 15 contractor-operated centers that handle, supply, and transport mail transport equipment (MTE), such as tubs and trays, to mail processing facilities and customers. Fiscal year (FY) 2014 processing costs for all 15 MTEESCs were about \$43 million. We previously conducted audits at four of the 15 MTEESCs and reviewed internal controls and dedicated transportation. Our objective for this capping report was to assess MTEESC network controls and transportation from a nationwide standpoint, which included the remaining 11 MTEESCs.

**What the OIG Found.** We found that Postal Service Headquarters management needs to enforce nationwide compliance and oversight of MTEESC operations and transportation. Specifically, Postal Service facilities did not always properly prepare excess MTE before dispatching it to the MTEESCs. We found that for 13 of 15 MTEESCs, less than 50 percent of trays and tubs received from facilities contained the correct number and type of MTE and were properly stacked and shrink-wrapped. The percentage of excess MTE that was properly prepared ranged from 0.20 percent to 45.41 percent for the 13 facilities. Properly prepared MTE would reduce processing and transportation costs and improves employee safety concerns. Conversely, we found some facilities used best practices, such as management oversight to enforce procedures, to prepare MTE for distribution to the MTEESCs. For example, about 84 percent of the MTE at Seattle, WA, MTEESC received from facilities was properly prepared. Further, we found Postal Service management did not adequately control contractor performance for processing, invoicing, and repairs, or ensure contractor premises were secured. Also, facilities did not always inspect empty MTE for mail before dispatching it to the MTEESCs or mailers to help prevent delayed mail to customers. These conditions occurred because Postal Service Headquarters did not provide sufficient oversight and assign adequate resources to ensure compliance with its excess MTE policies and procedures. The policy states that any excess MTE dispatched to MTEESCs should be properly prepared. However, headquarters officials stated the intent of the policy was to have 50 percent of excess MTE prepared and dispatched to the MTEESCs. As a result, the Postal Service incurred about \$2.5 million and \$2.4 million in unnecessary processing costs at the remaining 11 MTEESCs for FYs 2013 and 2014, respectively. It could also avoid about \$2.4 million annually in costs over the next 5 years by improving controls and implementing best practices for preparing MTE.

**What the OIG Recommended.** We recommended management reinforce and monitor its facilities' performance for properly preparing MTE and thoroughly inspecting it for any residual mail before dispatching it to the MTEESCs or mailers. Additionally, we recommended management evaluate and implement best practices for preparing MTE and ensure adequate resources are assigned. We also recommended management establish adequate controls over contractor performance, including the processing, invoicing, repair, and handling of MTE; and ensure adequate security is in place at all MTEESCs.



## NATIONAL NEWS

**American Postal Workers Union:** Arbitrator Shyam Das ruled on Dec. 3, 2015, that the American Postal Workers Union and the National Postal Mail Handlers Union may now go forward with their Step 4 grievances challenging the Postal Service's decision to close or consolidate approximately 82 mail processing facilities starting January of 2015. The grievances had contended that the consolidations violated the PO-408 Handbook, Closures and Consolidations Area Mail Processing (AMP) Guidelines.

**WPTZ:** Rep. Peter Welch says Congress should stop meddling in the management of the U.S. Postal Service. The Vermont Democrat said the agency battered by the 2008 recession, and a dramatic shift toward electronic mail, has now stabilized its finances and expects to deliver 15 billion pieces of mail over the holiday season. Welch decried a congressional mandate that the USPS to set aside \$5 billion for future retirement benefits -- for employees not yet born -- and then complain the agency is not sufficiently profitable. He said the sum was clearly excessive.

**Las Vegas Now:** There hasn't been a fully functional U.S. Postal Service Board of Governors since 2010. The governors make sweeping policy decisions about the operation of the postal service, but gridlock in Washington is preventing new board members from being appointed. Within a week, Bilbray could be the only person left on the board. "If we don't get any new appointees by December 6th of this year, I will be the only governor in the United States Postal System. So, actually, I am the chairman of the board right now," he said. Bilbray could be very lonely if he calls any future meetings of the U.S. Postal Board of Governors. There are supposed to be nine governors appointed by the president with approval of the U.S. Senate, but partisan gridlock has thwarted all attempts to appoint new members. As terms expired, the number dwindled to a mere three board members. "The other two that are with me are both (gone) by the end of December," Bilbray said. "They are in a holdover year, then they go off." Bilbray and the other two governors have been acting as an emergency committee to oversee one of the largest and most visible agencies in the federal government.

*December 4, 2015*



***PostCom welcomes its newest member: [SourceLink](#) 500 Park Blvd., Suite 1425 Itasca, IL 60143  
Contact: [Tom Taylor](#) Vice President of Logistics Solutions***

**Willamette Week:** [Oregon's congressional delegation has a lot of questions for the U.S. Postal Service about weed advertising in the mailbox.](#) Last week, the Portland District of the U.S. Postal Service sent a letter to the Chinook Observer newspaper in Long Beach, Wash., saying it's illegal to mail a newspaper with medical or recreational weed ads. The letter made headlines after the Oregon Newspaper Publishers Association warned its members to comply—or risk a crackdown by the Post Office. Today, four members of Oregon's congressional delegation—Sens. Jeff Merkley and Ron Wyden, along with Reps. Earl Blumenauer and Suzanne Bonamici—sent a letter of their own to Postmaster General Megan J. Brennan, asking questions about Postal Service pot policy. Their big questions: —What authority does the Postal Service have to regulate the advertising of legal marijuana, if the ads aren't promising to mail any marijuana? —Is the Post Office enforcing this policy in all 50 states? —And how does the Postal Service plan to enforce the rule when Congress prohibited the U.S. Department of Justice from spending any money prosecuting federal marijuana crimes in states that have legalized weed? "Did the USPS cooperate with anyone at DEA or DOJ in establishing this policy?" the delegation asks. "If so, please detail the nature of the cooperation."

**East Oregonian:** As more and more Americans do their Christmas (and other) shopping online, shippers are providing customers with tools to prevent packages from becoming ripe for the picking. Jeremy Leder, a United States postal inspector in Seattle, said the United States Postal Service has tried to do its part to prevent "porch poaching." "This time of year we see an uptick in not only packages, but also reports from the police that they're getting stolen," he said. As a result, postal patrons can sign up for a "My USPS" account online that allows them to sign up for texts or email alerts letting them track their packages in real time. If they see the package will arrive when they are not home they have the option of asking that it be sent to a different address or delay its arrival time. MyUSPS customers can also leave instructions for delivery, directing carriers to leave all packages in the garage, at the back door or somewhere else that will make it less of a target for thieves. Leder said between Thanksgiving and

New Years Eve, the USPS will deliver about 591 million packages in the U.S. Private shipping services have also developed their own package-tracking services.

***Phoenix Business Journal:*** An Uber-like company for shipping and delivery is launching a pilot program at Arizona State University. New York-based Kaargo is a consumer community shipping platform that connects drivers who want to rent extra space in their vehicle for long and short-haul trips with consumers who want to use that space to ship an item.

## INTERNATIONAL NEWS

***GERMANY:Postal Technology International:*** Postal operator Deutsche Post DHL has launched a new cross-border track and trace service for German vendors called Ländernachweis, roughly translated as 'countries detection'. DHL uses RFID tags attached to items to follow and register their cross-border transport and handover for delivery in the destination country. Both sender and recipient can view the shipping status of the item via DHL's track-and-trace portal. The RFID tags can either be attached to, or placed inside, packages. DHL's new service is designed specifically to cater to the needs of business customers and small-scale senders in Germany.

***ITALY:Reuters Italia:*** European competition regulators on Friday approved a total of 2.39 billion euros (\$2.60 billion) of Italian state aid to Poste Italiane for fulfilling its public service mission to deliver basic postal services across the country. The Italian government, which holds a 61.8 percent stake in Italy's largest provider of postal services, plans to compensate Poste Italiane 1.05 billion euros for providing postal services at affordable prices and at certain minimum quality requirements between 2016 and 2019. In addition, Italy still needs to pay compensation for the period from 2012 to 2015, meaning Poste Italiane would get another 1.34 billion euros. The European Commission approved the compensation because it will not exceed the cost of fulfilling the public service mission and the amount of aid decreases over time.

***NIGERIA:Leadership:*** Mr Simon Adayi, Area Postal Manager, Niger Territory, Nigeria Postal Service (NIPOST), said in spite of the influx of internet technology, the organisation remained the cheapest and fastest means of communication.

*December 3, 2015*

## POSTAL/FEDERAL NEWS

***USPS Industry Alert: USPS PostalOne!® Help Desk and Incident Tracking Webinar Friday, December 11, 2015, 11a.m. – noon (Eastern Standard Time)*** The U.S. Postal Service PostalOne!® Help Desk plays a key role in tracking issues that may affect the acceptance and induction of commercial mailings. This webinar will provide a detailed explanation of what happens when a help desk ticket is opened. Two USPS experts will walk through what happens from the moment the ticket is opened, the investigation and resolution process, and how the ticket is tracked. They'll also cover the communication process followed for releases, delayed performance, or system outages. Speakers: Ed Wanta, Address Management Support Analyst Christine Simone, Business Process Analyst, Principal Registration Required. Instructions for participating in the webinar appear below: Attendee Information US/Canada Attendee Dial-in: (866) 381-9870 Conference ID: 55710534 Attendee Direct URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e7015fbfc789f1f7bbf9f01f42ad77454> If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <http://usps.webex.com> Event Number: 995 708 117

### ***USPS International Postal Affairs:***

- ***AUSTRALIA:*** The designated operator of Australia, Australia Post, would like to inform the designated operators of other UPU member countries that customs staff employed by Australia Border Force have announced round-the-clock industrial action at the inbound Australian exchange offices on Monday, 7 and Tuesday, 8 December. Australia Post expects disruption to the handling of all inbound mail next week, with possible follow-on effects after the end of the industrial action, with mail held up during the strike needing

to be cleared. Australia Post is currently working with the customs management to attempt to minimize the impacts.

- **GREECE:** The designated operator of Greece, Hellenic Post, would like to inform the designated operators of other UPU member countries that the Association of the Civil Servants and the Confederation of the Greek Workers have announced round-the-clock industrial action on Thursday, 3 December 2015. The strike will affect both international and domestic mail collection and delivery.

## NATIONAL NEWS

**Wall Street Journal:** The latest sales numbers from Amazon.com show why the e-commerce giant is turning into a bigger force in shipping. Amazon dominated online sales on Black Friday, according to TechCrunch, pulling in more than a third of online retail sales that day and more than double the share than the next four retailers combined. The report is hardly definitive: it cited data from Slice Intelligence, which collects information from its own package tracking app. But it fits with other information, reported by the WSJ's Suzanne Kapner, that show online sales surged over the weekend and that mobile sales were especially strong. Amazon has been building up its ability to deliver those goods rapidly, even beyond the widely publicized tests of drone delivery. Amazon has been more quietly adding warehouse capacity in central Ohio, and showing greater interest in Wilmington, Ohio, the base of freight operator ABX Air Inc.

**Direct Marketing News:** Senator Tom Carper (D-DE) received a small but needed boost for his iPOST postal reform bill today as fellow Senators Jerry Moran (R-KS), Claire McCaskill (D-MO), and Roy Blunt (R-MO) signed on as co-sponsors. All three hail from states with large swatches of farmland, where residents experience some of the greatest delays in mail delivery. Association executives working on behalf of mailers cite the new sponsors as a positive development, but hope momentum for postal reform continues to build. "This moves [iPOST] forward a tad. Three sponsors on the bill is better than none, but it's a long way to go to convince the chairman of the committee to call a hearing on the bill and move it toward mark-up," said Gene Del Polito, president of the Association for Postal Commerce. Del Polito was referring to chairman Ron Johnson (R-WI) of the Senate Homeland Security and Government Affairs Committee, who is a proponent of privatizing the Postal Service. With the 2016 presidential election looming, there is recognition in all quarters of the postal issue that getting a bill passed in the coming year would be a tall order. Del Polito was pessimistic that a Republican-controlled Congress would pass a bill that would clear postal workers to enroll in Medicare and further burden the U.S. Treasury. "The biggest wild card, as I see it, is winning congressional approval to make the changes with Medicare," he said. Carper's bill would also bake the 4.3% exigent surcharge into the Postal Service's base rate, a feature abhorrent to big mailers.

**eCommerceBytes:** Home surveillance cameras are picking up incidents of mail mayhem, from packages being tossed onto porches to worse - and homeowners are posting the videos to YouTube. That may explain a new campaign from the US Postal Service called #PostalProud. The new initiative is designed to emphasize USPS principles and convey the pride and dedication of its employees. The Postal Proud campaign will include workplace posters, stand-up talks and other communications that emphasize organizational principles, such as accurate scanning, delivering mail with care and treating customers with courtesy.

*December 2, 2015*

## POSTAL/FEDERAL NEWS

### **Senate Committee on Homeland Security and Governmental Affairs:**

Today, a bipartisan group of senators joined the effort to fix the serious, but solvable challenges facing the U.S. Postal Service. Sens. Jerry Moran (R-Kan.), Claire McCaskill (D-Mo.), and Roy Blunt (R-Mo.) joined Sen. Tom Carper (D-Del.), ranking member of the Homeland Security and Governmental Affairs Committee, as sponsors of the [Improving Postal Operations, Service, and Transparency Act of 2015 \(iPOST\)](#), which Sen. Carper introduced in September.

iPOST reflects the views of a broad range of stakeholders and offers a compromise solution to the difficult issues that Congress and the Postal Service have struggled with for years. The bill includes a comprehensive package of reforms that would place the Postal Service on firm financial footing, stabilize and improve service performance, allow for the development of new products and services, and enhance transparency.

**"Whether we come from rural, urban, or suburban communities, my colleagues and I all agree that now is the time to act on comprehensive legislation that will stabilize and modernize the U.S. Postal Service,"** said Sen. Carper. **"I thank Senators Moran, McCaskill, and Blunt for joining me in this effort. I know that their support will help make a great bill even stronger. Our economy still depends on a healthy and robust Postal Service. It's our duty in Congress to pave a fiscally sustainable path for the agency that will enable this American institution to return to solvency, improve service, and thrive in the digital age. I look forward to continuing to work with Senators Moran, McCaskill, and Blunt, our colleagues in the House and the Senate, Postal Service leadership and employees, stakeholders, and postal customers to refine this legislation and ensure the Postal Service thrives long into the future."**

**"The United States Postal Service has long been an important part of American communication and commerce, but its deteriorating financial condition threatens its future,"** Sen. Moran said. **"We've also seen postal service quality across rural America decline as the USPS' debts and future liabilities rise. Failure to make reforms now will cause the Postal Service's financial crisis to worsen and increase the cost of any future fix. To protect taxpayers from the costs of a truly bankrupt postal service, Congress must act to put the agency on a path toward solvency. These reforms offer a serious policy framework to return the Postal Service to economic stability and preserve postal services across the country."**

**"This bipartisan legislation will help modernize our mail system and more effectively serve the millions of rural folks in Missouri and across the country that rely on the postal service as a source of communications and commerce every day,"** Sen. McCaskill said. **"Ensuring the Postal Service endures through the 21st century is critical for everyone from the modern entrepreneur to the grandchild placing a card in the mailbox, and I'm proud to help lead this bipartisan effort to sustain it."**

**"I have heard from Missourians from all parts of the state that depend on a strong and efficient U.S. Postal Service,"** Sen. Blunt said. **"This bill will help get the Postal Service on stable financial footing and modernize the post office. I am glad to join my colleagues in support of the iPOST Act."**

The financial condition of the Postal Service has been deteriorating for years, but the 2008 economic downturn and the continuing transition to digital communications and commerce have hastened its downward spiral. The Postal Service currently owes \$15 billion and faces tens of billions of dollars more in unfunded pension and health care obligations in the years to come. It ended fiscal year 2015 with a net loss of \$5.1 billion and now has a net deficit totaling more than \$50 billion. For an institution that operates at the center of a \$1 trillion industry that employs more than 7 million people, a financial outlook this bleak is alarming -- and shouldn't be ignored. Without serious, long-term reform, this iconic American institution -- enshrined in our Constitution -- will take on more and more debt.

**For more information, including a section-by-section summary of the bill and bill text, please visit: [www.carper.senate.gov/postalreform](http://www.carper.senate.gov/postalreform)**

***USPS Office of the Inspector General:***

- **The USPS OIG is seeking a highly qualified applicant to fill our Public Policy Analyst position in our research group** located in Arlington, VA. The group conducts innovative research and analysis on economic, business, and public policy issues affecting the Postal Service. (View research white papers at [www.uspsoig.gov](http://www.uspsoig.gov).) The successful candidate will help gather and analyze data, research public policy issues, plan and conduct studies, prepare executive presentations, organize roundtables and workshops related to research topics, and write analytical reports concerning the postal industry and Postal Service operations and business opportunities. [Apply Online](#)
- **Management Alert -- Zip Code Review Process** -- This management alert presents concerns regarding the U.S. Postal Service's Zone Improvement Plan (ZIP) Code™ Review Process (Project Number 15RG033MS000). In response to an inquiry from U.S. Congressman Bobby Rush regarding inconsistent application of policies and procedures for establishing ZIP Codes, we evaluated all 56 ZIP Code adjustment requests made from July 2012 through July 2015. Our objective was to assess the Postal Service's processes for managing and evaluating ZIP Code requests. [Read full report](#)

**Federal Register: Postal Regulatory Commission NOTICES New Postal Products , 75483–75484 [2015–30485]**  
[\[TEXT\]](#)

## NATIONAL NEWS

**Newsmax:** The U.S Postal Service is now on the verge of unveiling its new fleet of delivery vehicles — which will cost more than \$2 billion. The plan underscores waste the service cannot afford. The problems with USPS making a one-time bulk purchase of purpose-built vehicles to keep in service for the next two decades are multiple. Committing to a vehicle that is exclusively designed and manufactured for the USPS locks the Service in to today's automotive technologies for another generation. It squanders at least twenty years of opportunity to benefit from advancements in transportation technology, safety, and fuel savings. "These guys are embracing the status quo and the status quo has been shown to put them through the wringer," Ken Blackwell, former Ohio state treasurer and advisor to SAFE, told me, "and the worst part is that the postal customers are going to be stuck with the tab."

**The Bend Bulletin:** The U.S. Postal Service office in Portland delivered some potentially bad news last week to Northwest newspapers: If news outlets run ads for the region's booming marijuana industry, they might be violating federal law. The Friday memo pointed out it was illegal "to place an ad in any publication with the purpose of seeking or offering illegally to receive, buy, or distribute a Schedule I controlled substance," according to a copy sent to the editor-publisher of the Chinook Observer in Long Beach, Washington. "If an advertisement advocates the purchase of clinical marijuana through a Medical Marijuana Dispensary, it does not comply with" the law. The memo quickly caused confusion and concern among publishers whose newspapers have published ads for dispensaries and manufacturers in the region's now two legal cannabis industries, medical and recreational marijuana.

*December 1, 2015*



**PostCom Members!! The latest issue of PostCom's Postal Operations Update has been posted on this site.**

## POSTAL/FEDERAL NEWS

**USPS Industry Alert: USPS Shipping Products and Services Webinar Series Parcel Select Lightweight Tuesday, December 8, 2015, 11a.m. – noon (Eastern Standard Time)** Join us as the Postal Service continues to host its series of informational webinars on a variety of products and services. The webinars focus on service enhancements, features, benefits, how to get started, and onboarding information to acquire the knowledge and skills to effectively use the service. Parcel Select Lightweight is ideal for internet and mail order retailers, pharmacy and express delivery services shippers looking to send ground packages that weigh up to one pound at presorted destination entry prices. Tune in for a discussion of what's new with this product, as well as how best to take advantage of it and how to access eVS processing, label and service type code information. Speakers: Karen Ward,



Manager Shipping Solutions Henry Chau, Senior Information Support Specialist Registration Required. Instructions for participating in the webinar appear below: Attendee Information US/Canada Attendee Dial-in: (866) 381-9870 Conference ID: 33228461 Attendee Direct

URL: <https://usps.webex.com/usps/onstage/g.php?MTID=edef24ac3fbae760361448c29cb9cabb7> If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <http://usps.webex.com> Event Number: 996 103 914

**USPS Industry Alert: Labeling List and Mail Direction File Publication Delayed** The publication of the January 1, 2016 labeling lists and mail direction files will be delayed in order to make necessary adjustments to the files. New labeling list files will be posted on the Electronic Product Fulfillment (EPF) website and on the FAST website (under Resources) on Friday, December 4, 2015, for the January 1, 2016 effective date.

**USPS Industry Alert: USPS Industry Peak Season Webinar Friday, December 11, 2015 from 2:00PM to 3:00PM (EST)** The Postal Service would like to update mailers on the current peak mailing season. On Friday, December 11, at 2:00pm (EST), Linda Malone, Vice President Network Operations, and her staff will present the first installment of their webinar series to update mailers on important information regarding peak season. Please review the information below for instructions on how to participate in the call. The second installment of the series will occur on Wednesday, December 23, from 2:00pm to 3:00pm (EST). The Postal Service has been adjusting plans to ensure that mailers have the necessary equipment, transportation, and resources for a successful season. The Postal Service has also been working to ensure that customer communication plans, mail processing plans, and sort programs are in place; in addition to expanding FAST appointments and deploying additional equipment to manage volumes and to monitor cycle times. The webinar is designed to give you up to date information and an opportunity to ask questions. If you have suggestions for topics and/or questions to submit in advance, please do so by sending it to: [IndustryAlert@usps.gov](mailto:IndustryAlert@usps.gov). The Postal Service is committed to working closely with our customers to help them plan their mailings throughout the Peak Mailing Season. We hope that you can join us. Agenda topics will include: Service to Date Current Network Conditions MTE Update Registration Required. Instructions for participating in the webinar appear below: Attendee Information US/Canada Attendee Dial-in: (866) 381-9870 Conference ID: 90171291 Attendee Direct  
URL: <https://usps.webex.com/usps/onstage/g.php?MTID=e499097482dc816f2997492643bb4842d> If you cannot join using the direct link above, please use the alternate logins below: Alternate URL: <http://usps.webex.com> Event Number: 990 445 316

**USPS Industry Alert:** The Postal Service has several key initiatives to streamline the acceptance, induction, and verification of commercial card, letter, and flat mailings: Full-Service Intelligent Mail, Move Update, eInduction, and Seamless Acceptance. A new publication, Streamlined Mail Entry for Letters and Flats, provides the policies and procedures for these initiatives. An initial draft of [the document is posted on RIBBS](#). The mailing industry is encouraged to review and provide feedback on the document by December 24, 2015. Feedback should be sent to [mailacceptancepub@usps.gov](mailto:mailacceptancepub@usps.gov).

**USPS Office of the Inspector General: [Our Semiannual Report to Congress – and You](#)**

**Federal Register:**

<b>Postal Regulatory Commission</b>	
<b>NOTICES</b>	
New Postal Products ,	
75139 [2015–30432]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
75138–75139 [2015–30435]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
<b>Postal Service</b>	
<b>NOTICES</b>	
Product Changes:	



	Priority Mail Express and Priority Mail Negotiated Service Agreement ,	
	75139 [2015-30370]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
	Priority Mail Express, Priority Mail, and First-Class Package Service Negotiated Service Agreement ,	
	75139-75140 [2015-30362]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
	Priority Mail Negotiated Service Agreement ,	
	75140 [2015-30367]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>
	75140 [2015-30369]	<a href="#">[TEXT]</a> <a href="#">[PDF]</a>

## NATIONAL NEWS

***Politico:*** As the calendar turns to December, Congress is about to encounter a legislative avalanche, ensuring the next 18 days will be filled with action on issues from education to transportation, from taxes to refugees. And as if on cue — and seemingly out of nowhere — Capitol Hill is snapping into action. Bipartisan compromises are set to hit the floor. Hopes are flickering that a bottleneck of stalled nominations will finally open. And crises are likely to be averted, at least if Republican leaders in both chambers have their way. Though some lawmakers want to use the must-pass budget to push for their pet policies, there does not at this point appear to be the kind of mass movement that could provoke a closure.

***Bloomberg:*** At the moment, [delivery] drones are more fiction than fact. Delivery by drones isn't likely to be legal in the U.S. for the foreseeable future, and such package drop-offs are not technically feasible now. Every time you see a headline about Amazon's drones, then, think about the business strategy behind the company's well-timed reveals aimed at customers, regulators and the shipping companies on which Amazon is reluctantly dependent.

## INTERNATIONAL NEWS

***MALAYSIA: Nikkei:*** Pos Malaysia, a listed subsidiary of Malaysian conglomerate DRB-Hicom has started a new vehicle shipping service and enhanced its pawn broking services using gold, as earnings growth from its traditional mail services has weakened.

***NORWAY: Clean Technica:*** The postal service of Norway, the Posten, will soon possess an electric vehicle fleet enriched by the purchase of an additional 240 new Renault Kangoo Maxi ZEs, according to recent reports. The Norwegian postal service already possesses a fleet of 900 electric vehicles — this includes electric cars as well as bikes, quadricycles, etc. Norway postal service electric Kangoo The Posten is currently working to achieve a 40% reduction in carbon dioxide emissions by 2020 — hence the decision to purchase more electric vehicles (EVs).

***UNITED KINGDOM: CreditToday:*** Collections trade body the Credit Services Association (CSA) and direct mail services provider Critiqom are close to agreeing a postal discount scheme with Royal Mail for CSA members. A spokesperson for Royal Mail confirmed talks were now well advanced, saying the organisation was "keen to support all sectors" and was "developing a long-term incentive scheme that will reward clients for real year-on-year mail growth with potential postal discounts in the region of 15 percent." The CSA and Critiqom have met with Royal Mail to discuss how the incentive could be applied to collections businesses, and Royal Mail confirms that "work on this is progressing."

***CHINA: Global Times:*** Postal services should compensate their clients for lost and damaged parcels within seven days, according to a new regulation that takes effect on Tuesday. People can file complaints to administrative organs if postal services fail to provide compensation on time, said the newly revised regulation on the administration of postal services.