

POSTAL NEWS

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1. The Postal Service In The 21st Century

The Tampa Tribune

Published: March 15, 2008

Since its inception 233 years ago, the U.S. Postal Service has faced competition. First it was the Pony Express, then the telephone, private delivery services and fax machines.

Today, with the increasing use of the Internet, the USPS is facing its biggest challenge yet. As consumers switch to paying bills and other services online, the volume of first-class mailings, the Postal Service's most profitable, is shrinking fast. Postal officials are expecting an operating deficit of \$1 billion this year.

So the Postal Service will make up the revenue the way it always has: by raising the price of a first-class stamp by a penny in May. But it may be time for a change that has been discussed for decades: five-day delivery.

From the beginning, the Postal Service has served everyone, and done it with a universal rate. Most private delivery services have five-day delivery. Ending Saturday mail deliveries was considered in 2001 but was rejected after the public, bulk mailers and Congress protested.

But how does the public feel about yearly increases in first-class stamps? Better yet, Americans should take a close look at the mail they receive today and ask if there is anything there that could not have waited until Monday.

Published: March 14, 2008 11:23 pm

2. Postal official: USPS has had no problem with unemployment checks The Register-Herald

A spokesman for the U.S. Postal Service says the agency has not had any problems getting unemployment checks to recipients.

Gail Vititoe, a manager with the West Virginia Bureau of Employment Programs' Unemployment Compensation Division, told The Register-Herald some who receive unemployment checks complained they received payments late last week. She said the problem was a "U.S. Postal Service issue" and all checks were mailed on time. All state unemployment checks are mailed from Charleston.

However, David Walton, spokesman for the U.S. Postal Service, said systems in both Charles-*ton* and Beckley have been "checked and re-checked." No problems have been found with unemployment checks.

— Amelia A. Pridemore

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3. Clayco to Renovate Processing Center for US Postal Service

Edited by: MHM Staff , March 14, 2008.

CHICAGO—Real estate development, design and construction firm Clayco Inc. announced a new project to renovate the U.S. Postal Service's mail processing and distribution center (P&DC) in Palatine, Ill.

The renovation includes the design and construction of a 55,095-square foot addition, which will provide additional floor space for the installation of flat sequencing system (FSS) automation equipment, which Clayco will install. The FSS will sort large envelopes, magazines, catalogs and newspapers (also known as flats) in the order they are delivered by letter carriers. Although the expansion will not be used to house FSS equipment, it will provide the necessary space for the equipment installation at the plant. Other plant operations will be moved into the new space, according to Clayco.

"This is an excellent opportunity for Clayco to take part in an initiative that will result in a more efficient processing of mail by USPS," said Scott Murnick, project manager at Clayco.

Clayco's project team includes Dave Moses, project executive; Dave Gilroy, project estimator; and Murnick. Giffels is the architect, interior designer, plumbing engineer, civil and structural engineer; Shambaugh & Sons is the fire-protection engineer;

Kelso-Burnett is the electrical engineer; and AT Mechanical is the mechanical engineer.

The company has set an estimated completion date of February 2009.

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4. Postal Liberalisation - Like Juggling Plates

13 March 2008 by Mark White - © Hellmail.co.uk

In the Hellmail mailbox this week came a questionnaire on the state of play in the UK postal market and where we saw things in the next five years. It's origin is unimportant but it did help me focus to some extent, on just what is happening since deregulation.

Actually, for some reason, the Brits have labelled it 'Deregulation' rather than the European and rather French - 'Liberalisation' - an indication perhaps of Postcomm's drive to remove as much regulation as it can to encourage 'the competition'. After all, the UK has been used to seeing CityLink, TNT and DHL vans but much of their work was centered on parcels. Prior to deregulation there was much talk of opposing posties doing battle to deliver post, but that hasn't really happened - nor is it likely to other than in the business sector.

Royal Mail's biggest competitors have avoided the expensive roll-out of a fully fledged postal service altogether and settled for buying into RM's network through what is known as 'Downstream Access'. Essentially this means that companies like TNT, collect and sort mail then pass it on to Royal Mail to pop it through all the relevant letter boxes. However, many of the postal contracts originally held by Royal Mail have actually gone to its competitors, meaning that posties up and down the land are now delivering post that was once the sole responsibility of Royal Mail.

Most postal workers will tell you that they are delivering more mail than ever, but Royal Mail's slice of the postal market has been eaten into by rivals, meaning that RM are still delivering it - for less money.

Ok I hear you say, why can't Royal Mail undercut them? Regulation - and lots of it. Royal Mail is heavily regulated, even down to the price of stamps, and whilst rivals also have rules and regulations that are part of their licencing agreement, none are as heavily regulated as the state-owned Royal Mail which is still responsible for ensuring there is one delivery and collection per day, a requirement not met by its rivals. There used to be more deliveries, but with Royal Mail's decreasing share of the market, many things have simply had to go altogether including second deliveries.

So where do domestic mail users fit into all this?

We don't. Most of us are actually witnessing a sharp decline in domestic mail provision, partly because we prefer email to actually putting pen to paper, and partly

because the drop in letter writing is making it very difficult for Royal Mail to balance its books. Services have had to go - including post offices. Many key contracts that were once held by Post Office Ltd have also been shifted elsewhere, leaving many (though not all) post offices running at a massive loss. The targets may (or may not) be being met, but the network is not as big or as frequent as it once was and of the post offices that do remain, the queues often double.

Royal Mail workers are not in the least happy about it. Royal Mail has already shed thousands of jobs and has switched from a 'go home when you finish' regime to 'work your full hours' agenda, and that alone has angered many who claim that Royal Mail has booted its workforce into touch - not that Royal Mail has had much choice.

A bitter battle last year brought Royal Mail to a standstill as workers dug in their heels at what they saw as a direct attack on them and bosses anxious to keep the business going. One has to bear in mind that Royal Mail has been in existence for 300 years, and a good part of that under the watchful eye of a union with strong socialist principles. I need hardly point out that there has been a political edge underpinning the conflict that has ensued. The government ignored that entirely which caused ruptures within the Trade Union movement. That said, after lengthy negotiations, the overwhelming majority of postal workers who voted, were for modernisation of Royal Mail, even if a proportion are still not quite so keen to cooperate.

For the moment, domestic mail is dependent on a barebones target scheme and unless we all have a sudden yearning to write to forgotten Aunts, that is about as good as it will get. Stamp prices will still go up, and if the VAT exemption Royal Mail is currently blessed with is scrapped, stamp prices may have to go up sharply. The money is effectively being shunted into the private sector - not that the UK is the only country facing that one.

The most recent issue is on post office closures. The speed at which they are being terminated is alarming and Postwatch, which is after all, the only large body that sits in the postal consumer's camp, has very limited powers and virtually none at all when it comes to closures. The danger in that is that people will assume that it is being kept deliberately short of influence to ensure post offices close quickly. Granted there is a consultation period (blink and you miss it) but even where objections to a closure have been strong, they have often been closed regardless or the closure transferred to some other unsuspecting subpostmaster up the road.

All in all, this is a very brutal and centralised plan, nodded through by a government keen to show it can impress the rest of Europe. And with a spin-crazy Labour government that has surpassed the arrogance of even the previous Conservative government, the rest of us can only wait for the next election.

Germany like the UK, was once seen as a 'flagship' model of postal reform but has been in one hell of a mess for months with arguments over the legality of minimum pay for postal workers, strikes, and more strikes to follow and now a tax scandal emanating from Deutsche Post's top man Klaus Zumwinkel - that one went down like a lead balloon with the German population. The French just do what the French do - as always.

As far as Liberalisation goes in the UK, it has been like a plate-juggling act. No sooner has one problem been solved, another hundred or so dash to take its place and amidst all of this is a government trying to jam a state-owned postal service into a commercial mould and still apparently hang on to it, whilst trying to assure everyone that the universal service is quite safe and everything will work out fine. No rival posties, no drop in prices or increase in services and another stamp rise due in April.

I'm trying very hard not to sound pessimistic. Its an exciting time for new operators and business has seen savings - at least on bulk mail but even TNT's statement that competition has been good for the economy and another 3,000 jobs created has a rather hollow ring to it.

When you consider how many jobs have actually been lost at Royal Mail - 40,000? How few full time jobs come up as opposed to part-time, how much the service has been cropped back and the fact that many (including myself) find special delivery is now the only really reliable way to send anything remotely important. £7.75 to send a parcel to my son, which has no real value but I needed to be certain it would arrive intact, and on time for his birthday instead of winding up on a rubbish tip somewhere or heaven forbid - in some despondant postie's garage.

Image by Keamsview

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5. Postal Automation Solutions

March 13, 2008 11:00 AM

AddressVision Inc. (AVI), a Bull Group subsidiary and a leading provider of postal automation solutions, has announced that Australia Post has chosen AVI to upgrade its address recognition and mail automation capabilities for processing the country's letter mail. As the chosen prime systems integrator, AVI leads a world-class team which includes Prime Vision B.V., RAF Technology, Inc. and LSI.

AVI's solution is based on independent functional modules delivered within an industry supported, open architecture framework. AVI will integrate its solution with more than 50 legacy mail processing machines, in 11 processing centers nationwide, to modernize and extend automation capabilities across the country, extending the lifetime of existing equipment. AVI's solution also expands Australia Post's available recognition capabilities by at least 10%, through the addition of name and firm based matching, and by providing dynamic updates and corrections to postal address data via AVI's Address Learning component.

“Our ability to offer an open architecture framework as an integral part of our automation solution is yet another example of our leadership and innovation within the industry”, said Don Higbee, AddressVision Inc.'s Business Unit Manager. The

Australia Post system builds on AVI's twenty-plus years of experience delivering solutions as one of the world's leading providers of postal automation services and technology. AVI's open architecture platform provides a fully scalable solution that delivers increased recognition capabilities and expands overall system capacity to meet both today's and tomorrow's operational needs.

AddressVision Inc., a Groupe Bull Company, provides software solutions to help organizations more accurately and efficiently organize, process, and deliver mail, whereby increased mail-piece effectiveness, and decreased processing times and costs are achieved.

Prime Vision is a leading supplier of mail and parcel automation solutions. Prime Vision's parcel automation identification solutions suite, Parcel Vision, incorporates our unique OCR recognition technologies for handwritten and machine generated text and is fast becoming the de-facto high-performance standard in the global express-parcel market.

As one of the leading European IT companies, Bull delivers open, flexible and secure information systems. The group helps public and private sector customers transform their information systems, applying its know-how and expertise in three main areas:

- Capitalizing on its extensive mainframe experience, Bull designs and produces robust, innovative and open servers, based on industry-standard technologies;
- Building on its alliances with leading ISVs and long-standing involvement with Open Source, Bull develops and implements flexible and interoperable application infrastructures which give business processes the freedom to evolve;
- Bringing together recognized expertise in end-to-end IT security, Bull secures data and exchanges that are so critical in preserving customers' business integrity.

Bull has a particularly strong presence in the public, healthcare, finance, telecommunications, manufacturing and defense sectors. Its distribution network and business partners cover more than 60 countries worldwide.

For more information visit: www.bull.com

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