

POSTAL NEWS

No. 61/2008

Formulated by **UNI-Japan Post** in cooperation with **UNI-Apro**,
ASPEK Indonesia and **SPPI**

1. **Siemens wins \$245M contract from US Postal Service. May 20, 2008.**
2. **TNT offers talks while postal workers strike. May 20, 2008.**
3. **Japan's postal bank to step up foreign investment: report. May 20, 2008.**
4. **Earth Class Mail Invited by Postal Regulatory Commission to Participate in a Hearing on the Future of the Postal Service. May 19, 2008.**
5. **Endicia(R) Shipping Enhances Partnership With U.S. Postal Service. May 19, 2008.**
6. **Is postal market liberalisation really working?. May 19, 2008.**
7. **Bulgarian Posts set for massive restructuring. May 19, 2008.**

1. Siemens wins \$245M contract from US Postal Service

Associated Press 05.20.08, 8:40 AM ET
ATLANTA -

German conglomerate Siemens AG said Tuesday it has been awarded a \$245 million contract from the U.S. Postal Service for 550 mail sorting systems.

The new system, called the Advanced Facer Cancellor Systems 200, will replace the Postal Service's existing mail sorters, which have been used for almost 20 years to cancel first-class mail.

Siemens (nyse: SI - news - people) said the new system responds to the decline in first-class mail in recent years by allowing the Postal Service to improve performance while reducing the total number of machines.

Production and installation of the mail sorting systems is expected to be completed by March 2011. The contract also includes the delivery of ancillary equipment, spare parts, training and support services.

In the electronic premarket session, U.S.-traded shares of Siemens slipped 8 cents to \$118.60.

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2. TNT offers talks while postal workers strike

Tuesday 20 May 2008

Postal company TNT has invited postal workers' unions to meet on Friday in an effort to end the impasse over their wage demands.

The invitation comes on the second day of a new series of industrial action, which began yesterday in The Hague and affects Nieuwegein today.

TNT hopes the unions will attend the meeting to try and break deadlock. The CNV union says it would be impolite to turn down an invitation. 'We'll see how far we get,' a spokesman told the AD, adding that industrial action will continue until Friday.

Postal workers want a rise of 3.5% in wages this year. TNT is offering 1.5% this year and another 1.5% in 2009.

A 30-hour general strike is planned for May 28.

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3. Japan's postal bank to step up foreign investment: report

3 days ago

TOKYO (AFP) — Japan's newly privatised postal bank plans to raise its investment overseas to almost 10 billion dollars this year, aiming to boost earnings ahead of an initial public offering, a report said Tuesday.

Japan Post Bank, created by the break-up of the mail operator last year, plans to ask foreign companies to manage some of the roughly 180 trillion yen (1.7 trillion dollars) in assets it oversees, the Nikkei business newspaper reported.

US asset management firm BlackRock Inc. is believed to be among the candidates, it reported, without saying where it got the information.

Japan Post Bank is expected to invest at least 1.0 trillion yen (9.6 billion dollars) in the current fiscal year to March, the daily reported.

The bank is expected to invest in US and European corporate bonds, it said.

Until now the post office's assets have been largely invested in government bonds, helping to finance popular but often wasteful public works projects.

The commercial bank, which has the world's largest savings, was created in October as the government broke up Japan Post at the start of a privatisation process set to reshape the country's finance industry.

The government hopes that reform will boost competition in the financial services sector and help to reduce the huge national debt.

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All Press Releases for May 19, 2008

4. Earth Class Mail Invited by Postal Regulatory Commission to Participate in a Hearing on the Future of the Postal Service

Cameron Powell, VP of Strategic Development, will address questions about the Postal Service's use of alternate or supplemental forms of mail delivery.

Seattle, WA (PRWEB) May 19, 2008 -- Earth Class Mail™ Corp., the global leader in delivering postal mail online, today announced its acceptance of an invitation from the Postal Regulatory Commission (PRC) to testify to the practicality of using "remote-control mail services" that use the Internet and innovative new technologies to improve mail delivery, increase revenues, and reduce costs. The PRC, at the request of the U.S. Congress, is developing a report on universal postal service and the postal monopoly in the U.S., and expert witnesses such as Cameron Powell, VP of Strategic Development at Earth Class Mail, will be testifying on May 21 in Flagstaff, Arizona.

According to the written invitation from the PRC, issues covered at the hearing could include the following:

The practicality of using remote-control mail services to provide alternate or supplemental forms of mail delivery in remote areas where traditional mail-delivery services may be costly or infrequent.

The possibility of using remote-control mail services from residential locations or within existing post-office lobbies to provide alternate or supplemental forms of mail delivery.

The possibility of using remote-control mail services in locations where mail recipients are particularly transient, such as at colleges and universities.

The possibility of using remote-control mail services to provide new forms of General Delivery that might be offered by the U.S. Postal Service for difficult-to-service locations or communities.

"We're honored and encouraged by the PRC's invitation," said Ron Wiener, CEO and Postmaster General of Earth Class Mail. "Virtually every European Union postal operator has privatized and most are seriously examining higher margin digital services for recipients of mail, yet the U.S. remains the sole industrialized nation not to do so. The opportunity to create a modern, profitable, and environmentally friendly postal service in this country is real and closer than some might imagine. Clearly the PRC is taking its mandate from Congress seriously."

We're honored and encouraged by the PRC's invitation

Mr. Wiener himself will be in Budapest, Hungary, on the day of the hearing, for a presentation at the World Mail & Express Conference, where Earth Class Mail has been nominated for awards in the Innovation and E-Commerce categories alongside some of the largest postal operators in the world.

Earth Class Mail is the world's only online postal-mail delivery service for individuals and businesses that scales to national deployment by postal operators so that any Internet-enabled citizen and business can receive postal mail online.

About Earth Class Mail

Earth Class Mail™ provides the only online postal-mail service designed for individuals, small businesses, enterprises, government agencies, military, and national posts. Users in more than 150 countries now receive their postal mail at one of 20 U.S. addresses, and access it online, 24x7, via www.earthclassmail.com. Internationally, the company licenses its technology platform to mail and document outsourcing partners, as well as national posts. The company is headquartered in Seattle, WA.

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5. Endicia(R) Shipping Enhances Partnership With U.S. Postal Service

High Volume Shipping Customers Will Be Eligible For Free Services

PALO ALTO, Calif., May 19 /PRNewswire/ -- To improve efficiency and convenience for online shipping customers, Endicia(R) and the U.S. Postal Service (USPS) have formed a partnership to provide key customers special access to USPS shipping services with Endicia technology. This partnership will enable high volume shippers that use expedited services to be eligible for free Endicia services and shipping software solutions. This is, in addition, to the discounted commercial postage rates which are currently available through Endicia shipping solutions.

"The best customers of the USPS deserve the reward of Endicia's state-of-the-art shipping solutions at no cost," said Harry Whitehouse, Endicia Chief Development Officer. "By partnering with the USPS, we can offer a complete competitive choice for online shipping and fulfillment needs."

Endicia is ideal for online sellers, fulfillment providers, and retailers with lightweight shipping needs -- for instance, eBay sellers, jewelry dealers and resellers, clothing retailers, toy retailers and more.

More details of this exciting new program include:

- For every month that an Endicia Professional(TM) customer prints more than \$5,000 in qualified postage they will receive a free month of Professional service.
- For every month that an Endicia Platinum Shipper(TM) customer prints

more than \$20,000 in qualified postage they will receive a free month of Platinum Shipper service.

- Customers will remain responsible for the cost of postage, extra services, and insurance fees printed from their account.
- Qualified postage is defined as postage for the following classes: Priority Mail(R), Express Mail(R), Priority Mail International(R), Express Mail International(R) and Global Express Guaranteed(R).

Additionally, Endicia is offering a royalty discount program for Endicia Label Server Customers. Endicia Label Server Customers are businesses that have integrated Endicia directly into their applications and websites, so they can print USPS shipping labels right from their application without installing any additional software.

Under this program, Endicia will not charge customers transaction-based royalties when using Priority Mail, Express Mail, Priority Mail International, or Express Mail International. Partners or their customers will remain responsible for the royalties on other mail classes, monthly minimums, and the cost of postage, extra services, and insurance fees.

Endicia Internet Postage lets users print postage with just a computer, printer, and an Internet connection. Integrated into more than 60 applications, and with over \$2 billion in postage processed and 25 years of experience in the postal industry, Endicia is the leading Internet postage service provider.

To learn more about the USPS partnerships and purchasing postage online, visit <http://www.endicia.com> or <http://www.postage.com>. For more information on the price increase and how it impacts shipping prices for businesses, visit <http://www.usps.com/prices>.

Endicia(R) offers the following services:

Endicia(R) Premium:

- Stealth postage protects profit margins by printing the postage barcode without displaying the actual postage amount paid for the package
- Savings on parcel insurance -- sold at a lower cost than the United States Postal Service retail prices, customers save up to 63 percent (depending on level of insurance)
- Pre-filled customs forms
- Customizable shipment notification e-mails

Endicia(R) Professional:

- All Premium features, plus
- Bulk acceptance scans for packages
- Retrieve shipment information from order database
- Stage lists for batch printing
- Variable weight and mail class list support

Platinum Shipper(TM):

- All Premium features, plus
- Price shop USPS versus private carrier
- Save on address correction fees
- Bulk acceptance scans
- Avoid residential and rural address surcharges

Endicia's PC and Mac applications allow users to print postage and shipping labels for all mail classes, domestic and international. Endicia's shipping functionality includes discounted Delivery and Signature Confirmation, discounted parcel insurance, hidden postage amounts and pre-filled customs forms.

Endicia's Application Programming Interfaces allow developers to integrate postage printing into a variety of applications, including web-based services. Endicia's PictureItPostage service allows businesses and individuals to print customized postage with their logos, images, or pictures. In 1989, the company received the first annual U.S. Postal Service Quality Supplier Award, and in 2004, the Industry Star Award. For more information, visit <http://www.endicia.com>.

First-Class Mail(R), Priority Mail(R), Express Mail(R), Global Express Guaranteed(R), Express Mail International(R) are registered trademarks; and Delivery Confirmation(TM) and Signature Confirmation(TM) are trademarks of the U.S. Postal Service.

About Newell Rubbermaid Technology

In a world that demands greater productivity and measures it at every opportunity, Newell Rubbermaid's global technology solutions provide businesses, educational institutions, and consumers with innovative and easy ways to share, manage and organize information with improved efficiency and satisfaction. Our global technology brands are organized into four platforms:

- The Specialty Printing and Labeling Platform is comprised of DYMO(R) labeling, postage printing and CD/DVD printing solutions (<http://www.dymo.com>).
- The Analog to Digital Platform is comprised of CardScan(R) business card scanners and contact management software featuring CardScan At Your Service(TM) (<http://www.cardscan.com>), and DYMO File(TM) software that turns paper documents into digital files (<http://www.dymofile.com>).
- The Internet Postage Platform is comprised of Endicia(TM) online shipping and mailing solutions (<http://www.endicia.com>) as well as its customized postage solutions (<http://www.pictureitpostage.com>).
- The Classroom Technology Platform is comprised of mimio(R) interactive

whiteboards and digital ink recorders (<http://www.mimio.com>).

These global technology brands complement the growing family of leading Newell Rubbermaid brands including Calphalon(R), EXPO(R), Goody(R), Graco(R), Irwin(R), Lenox(R), Paper Mate(R), Parker(R), Rolodex(R), Rubbermaid(R), Sharpie(R) and Waterman(R).

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6. Is postal market liberalisation really working?

Source:
Precision Marketing Magazine
ByLine:
Jenny Hoffbrand
Publication date:
19 May 2008

Having spent the past two and a half years bemoaning the negative effect liberalisation has had on its business and the postal market in general, Royal Mail has finally received backing from a Government commissioned report which shows that small businesses and consumers are yet to benefit from the open market.

The findings of the report also said: "We have come to the conclusion that the status quo is not tenable. There is now a substantial threat to Royal Mail's financial stability and, therefore, the universal service."

This threat was illustrated last week when Royal Mail revealed the extent of its troubles in its latest results, by posting an operating loss of £279m.

A spokesman for Royal Mail described how encouraged the company was by the report, saying: "The report identifies the ways in which the open postal market is clearly not working."

In its submission during the report's consultation phase, Royal Mail said: "Post does not exist in a vacuum. Royal Mail needs the same flexibility as its rivals if it is to survive and flourish in the wider communications market."

Postcomm chairman Nigel Stapleton also welcomes the report's findings but remains positive about the impact of liberalisation, arguing that customers have benefited from lower prices, increased innovation and record levels of service quality from Royal

Mail. He also believes that, regardless of the report's contradictory findings, smaller businesses are now beginning to reap the benefits of choice.

OnePost managing director Graham Cooper highlights the parallels with the liberalisation of the telecoms industry, where the big businesses were the first to benefit, taking over two years before solutions for smaller companies emerged.

Cooper says of the report: "This confirms that benefits of liberalisation have been experienced by large businesses - in time this will have an impact on the smaller businesses and domestic customers who have not experienced any significant benefit to date."

However, TNT Post chief executive Nick Wells takes issue with this part of the report's findings, saying: "We disagree. TNT Post provides flexibility, cost savings and new products to the SME market, and our growing customer base of more than 1,000 SMEs is testament to this."

Whether the findings will be enough to force the Government to intervene is another matter. But with Labour popularity at an all-time low, you should not bet against it.

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7. Bulgarian Posts set for massive restructuring

11:09 Mon 19 May 2008 - Elena Koinova

Bulgarian Posts will be restructured into a holding of six shareholding companies, which will draw on the public private partnership model, and will appoint a second executive director to represent the interests of attracted strategic investors, a copy of the corporate restructuring strategy, leaked to Dnevnik daily reads.

The company's executive director Entseslav Harmandjiev has already briefed the leaders of Bulgarian trade unions about the plans.

According to the strategy, restructuring would be implemented by October 1. It will result in the formation of the companies Finance Post, Bulpost/EMS, Post Trans and Trade, Bulgarian Philately, Hybrid Post and Post Tourist. All companies will attract strategic investors and will be forming public-private partnerships.

Bulpost/EMS will take over the courier postal services business, both inbound and outbound. Finance Post will be in charge of financial services (postal cash transfers and cash collection). Hybrid Post will offer utility payments. Post Trans and Trade will tackle logistics and commercial activities, whereas Bulgarian Philately – the business with envelopes and stamps.

The sixth company, Post Tourist, will operate the vacation sites owned by Bulgarian Posts. This type of activity is an attempt to diversify the range of Bulgarian Posts services. Currently, the holding owns seven holiday sites worth a combined 20 million

leva. They are located in Golden Sands, SS Konstantin and Elena, in Bankya, Pancharevo, Ravda, off Batak dam and Apriltsi village.

None of the six shareholding companies will be dealing with the universal postal service, letter distribution. According to the Postal Services Act, Bulgarian Posts EAD is obliged to offer the universal postal service nationwide at low prices. According to Harmandjiev, it would be operated by the parent company Bulgarian Posts.

Expectations are that private capital will mainly be interested in the three most profitable postal activities – financial services, the hybrid and high-speed post. Should capital hikes be allowed, it was likely that these subsidiaries would become majority owned by private investors in full, Dnevnik said, quoting industry sources. Currently, Bulgarian Posts is in the list of companies banned from privatisation.

Asked to comment, Harmandjiev said that there would be no privatisation or re-distribution of property. Rather, through a public-private partnership, the holding will give investors the right and partners the right to use its assets, receiving in return a share of the profit, which will come from foreign know-how and investments.

He argued that all six companies would be equally attractive to potential investors. According to Harmandjiev, the idea to restructure the posts is not new. Last year, he told trade unions that the posts will become a holding structure.

According to the annual report of Bulgarian Posts, universal postal services account for 45 per cent of all revenues, with another 48 per cent coming from commercial activities. The remainder is generated by non-universal postal services.

In 2006, the company reported net profit of nine million leva on revenues of 135 million leva. The company is yet to post its consolidated report for the year 2007.

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