

POSTAL NEWS

No. 24/2009

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

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Friday, February 13, 2009

1. Koizumi's Stinging Rebuttal To Aso On Japan Post Rocks LDP

TOKYO (Nikkei)--Former Prime Minister Junichiro Koizumi, whose tenure was defined by his push to privatize Japan's postal operations, blasted Prime Minister Taro Aso Thursday for suggesting that the process may be reconsidered, potentially reigniting a battle within the ruling Liberal Democratic Party.

Koizumi triggered the previous general election, held in 2005, when he dissolved the lower house in the face of resistance from within his own party to privatizing Japan Post. Framing the contest as a referendum on reform, he oversaw a sweeping victory that provided the ruling coalition with more than a two-thirds majority. Subsequent LDP-led governments have been predicated on this strong hold on the lower house. The next election will be held no later than September.

Yet Aso questioned the efficacy of such reforms last month in his policy speech to the Diet, and a week ago signaled a willingness to reassess the four-way split of Japan Post's operations.

In a gathering Thursday evening at LDP headquarters to support postal privatization, Koizumi claimed that Aso's recent comments were a frontal attack on candidates preparing for the upcoming lower house election. As conditions stand inside the LDP, he said the party is "not in a position to wage a campaign."

The meeting was attended by party members that have opposed Aso's policies, including former Defense Minister Yuriko Koike, as well as Hidenao Nakagawa and Tsutomu Takebe -- both of whom served as secretary-general of the party. Nakagawa later met with eight sympathetic second-term lawmakers in the Machimura faction.

Even Aso supporters are showing signs of exasperation.

"He needs to be careful about statements that are open to attack," says Makoto Koga, chairman of the party's election strategy council.

Former Prime Minister Yoshiro Mori, a party heavyweight and a member of the Machimura faction, confirmed his support for Aso Thursday evening with Chief Cabinet Secretary Takeo Kawamura. But he blamed the uproar on Aso's extraneous comments.

Furthermore, Koizumi hinted that he may step across party lines in an upcoming vote on legislation to finance 2 trillion yen of stimulus payouts. The cash payments are part of a broader economic package.

Depending on the number of defections, some party insiders say that momentum to replace Aso could swell after passage of the fiscal 2009 budget, which the ruling coalition plans to carry out next month. A senior upper house member acknowledges that the party could split apart if Koizumi follows through, but predicts that the situation will not escalate to that point.

(The Nikkei Friday morning edition)

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2. Interquest: Digital direct mail volume still growing

February 12, 2009

While direct mail volume is declining overall due to cost increases and the current state of the economy, research firm Interquest Ltd. predicts the volume of direct mail produced on digital presses will grow 2% to 3% per year annually from 2008 to 2013.

“What's going to help digital is the desire of mailers to personalize their offers, particularly with color,” said Gilles Biscos, president of Interquest. “More marketers are using integrated campaigns that combine direct mail pieces with the Internet or e-mail, and these efforts are personalized.”

Facilitating the growing use of personalization is the introduction of a new generation of inkjet presses that combine many of the benefits of offset printing with those of digital printing.

“With the arrival of the new high-speed inkjet digital presses, people will move away from using offset printed shells [in their direct mail campaigns] and will use inkjet presses to print the entire piece,” Biscos said.

With new inkjet presses from HP, Océ, Kodak and others offering quality, speed, low cost per piece and the ability to produce tens of millions of pieces per month, Biscos expects to see more printers adding personalization to their skill set.

“These high-quality inkjet presses are going to be used by large commercial printers that haven't been that involved in digital color direct mail printing so far,” said Biscos. To date, the field has been dominated by direct mail printers such as DME, Direct Group and Anderson Direct Marketing, to name a few.

Interquest predicts full-color single-pass digital output will increase from 8.58 billion impressions in 2008 to 22.53 billion impressions in 2013. By 2013, full-color digital output will account for one-third of digitally produced direct mail, and digital output overall will account for approximately one-fourth of all direct mail printing.

3. Belgian Postal Service State Aid Ruled Unfair

10 February 2009 by Franz Groter - © Hellmail.co.uk

A state-aid package for Belgium's postal service worth 297.5 million euros has been rejected by The Court of First Instance in Luxembourg.

DHL, a subsidiary of Deutsche Post, complained that the additional funds made available in 2003, were unfair and despite approval by the European Commission, the Court of First Instance overturned the decision, ruling in DHL's favour.

"The assessment of whether this measure was compatible with the common market presented serious difficulties requiring the initiation of the detailed investigation procedure which would have permitted Deutsche Post and DHL International to submit their observations," the court said.

The European Commission is mulling over the decision. DHL said it merely wanted to establish a level playing field.