

POSTAL NEWS

No. 70/2009

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

1. **Finnish Postal Workers Begin Strike. April 16, 2009.**
2. **Swiss Post To Prune Post Offices Due To Falling Demand. April 16, 2009.**
3. **Eagle Couriers Uncover Forgotten Hotline Number. April 16, 2009.**
4. **NY Postal Union Protests Cutbacks and Closings. April 15, 2009.**
5. **AN UPDATE FROM MAIL MOVES AMERICA. April 16, 2009.**
6. **First-Class Inefficiency. April 16, 2009.**
7. **10 arrested over postal rate scam. April 17, 2009.**

1. Finnish Postal Workers Begin Strike

16 April 2009 by Franz Groter - © Hellmail.co.uk

The postal union in Finland is said to be considering industrial action next week after it was suggested that Finnish postal operator, Itella, would be shedding 400 jobs.

PAU (the Finnish Post and Logistics Union) has around 30,000 members and was formed in 2005 following the merger of The Union of Salaried Postal Employees, and the Postal Union.

PAU described the termination of 400 employees as "Incomprehensible" and that Itella was "acting in sharp conflict with state company personnel policies."

Ministers Vanhanen, Katainen and Pekkarinen have all submitted a petition to refrain from laying off staff.

000

2. Swiss Post To Prune Post Offices Due To Falling Demand

16 April 2009 by Franz Groter - © Hellmail.co.uk

Swiss Post is to examine post office density in Switzerland after seeing a fall in volume of letters and parcels of some 46% since the year 2000. It said that whilst it was not seeking to close post offices, sustainability was essential and it was working with municipalities and the independent Post Offices Commission to ensure the future viability of the Swiss post office network.

The announcement follows the publication of a list of proposed closures that it said should not have been published and was incorrect, but that it would need to adapt its sales network to changing customer behaviour and to ensure profitability.

Swiss Post said it is experiencing a significant decline in core business at post office counters with a fall in volume of letters and parcels of 46% from 2000 to 2008.

Counter payments had also fallen by 17%. It said that developing the Swiss post office network was an ongoing task, set out in postal legislation and defined by the Federal Council. It recognised that people identified with their post offices but with the future in mind, it would be looking carefully at the existing network to identify possible areas for reform.

The criteria looks likely to follow a similar format to that carried out in the UK, with access criteria a greater priority than individual post office profitability.

As at 1 April 2009, Swiss Post was operating 2,380 access points (including 2,154 post offices and 226 agencies) and 1,123 home-delivery services. Around 420 locations will be reviewed by the end of 2011. At the moment there are plans to review around 100 locations this year, some 160 in 2010 and the same in 2011.

Swiss Post emphasised that in examining each location individually, it would do so with great care and in a dialogue with all parties involved. Criteria will include customer frequency, catchment area, opening hours, services used, alternative access points, accessibility on foot or by public transport, volume trends and demographic trends.

It said that guaranteeing an excellent basic service and a dense, nationwide network of access points was a key concern and that where agency partners were obliged to close their premises, Swiss Post would undertake to repeat the entire evaluation and consultation process in order to find a solution.

000

3. Eagle Couriers Uncover Forgotten Hotline Number

16 April 2009 by Holyrood Partnership - © Hellmail.co.uk

Scotland's leading independent courier firm have received an unexpected bonus following a recent takeover deal – a catchy new 0845 phone number.

Directors at Eagle Couriers, which has bases in Bathgate, Edinburgh and Glasgow, were left surprised when they found they had inherited the 0845 123 1230 number after taking over one of their oldest Edinburgh rivals.

The discovery only came to light months after the firm bought out Edinburgh rivals QED Couriers in a deal worth an extra £500,000 of business to the firm per year.

Although the takeover was completed last October, staff only discovered the new contact details when they were reviewing all of QED's assets earlier this year.

Jerry Stewart, one of Eagle Couriers' directors, said: "When we took over QED, we knew that it was a deal that would help us cement our position as Scotland's leading independent courier firm. We inherited some of their major contracts with organisations such as the NHS and we were able to combine their 25-year experience in Edinburgh with our own operations.

“However, when we started looking closer at their company assets, we found that they had this 0845 number which they had never used. Their managing director had bought it in 2003 but it was never used as the main switchboard line, so it was just lying dormant when we discovered it.

“We already had plans to expand the business and create a new headquarters in Bathgate, so we decided to resurrect the number and use it as the main point of contact for all of our operations in Scotland.

“It’s a nice bonus and means that we’ve got a shiny new hotline which we haven’t had to pay a penny for. It also means that we can now say that organising a delivery is as easy as 1-2-3.”

The 0845 123 1230 line is now being used as the main contact number for Eagle Couriers’ offices in Bathgate, Edinburgh and Glasgow.

In the past 12 months, Eagle Couriers has also secured a £1.5 million contract with communications giant BT and a similar deal with NHS Scotland that will see the firm deliver documents and medical equipment to hospitals and medical facilities across the country until 2011.

The company also earned security clearance to make deliveries for the Government and other public bodies across Scotland. The firm now has backing from two organisations - the Government Car and Despatch Agency (GCDA) and Scotland Excel – which both aim to improve efficiency and delivery of important public documents, files and information.

000

4. NY Postal Union Protests Cutbacks and Closings

By Julia Kantor

Epoch Times Staff Apr 15, 2009

GOING POSTAL: A postal worker protests proposed cuts by the Postal Service outside the Farley Main Post Office on 8th Avenue. (Edward Dai/The Epoch Times)
NEW YORK—The New York Metro Area Postal Union (NYMAPU) voiced support of the H.R. 22 legislation that aims to reduce financial pressure on the United States Postal Service (USPS) on Wednesday, and rallied against the proposed cutbacks and closures of the three Manhattan Post Offices.

The H.R. 22 legislation will amend the 2006 legislation that mandated full funding of current and future USPS retiree health care benefits. Under the new legislation, the USPS will be allowed to draw current retiree payments from the presently established fund instead of having to wait until 2016, while continuing to fund health care for future retirees.

This change is projected to save \$2.3 billion in 2009, and with increased savings expected over the next eight years. The H.R. 22 legislation is co-sponsored by 253 national representatives, including the majority of the congressional representatives in the New York metropolitan area.

Due to recent fiscal challenges, USPS plans to reduce the hours of operation at the James A. Farley Main Post Office from the current 24 hours, 7 days a week schedule

to a 7 a.m.–10 p.m. weekdays and shorter hours on weekends. The USPS also plans to close the Columbus Circle, Sgt. Tejada, and Prince Street Stations in Manhattan. The president of NYMAPU, Clarice Torrence, joined the rally held in front of the Prince Street Station on Wednesday to protest its closing that is planned for summer of 2009.

“Just three days before its newest rate increase goes into effect, the United States Postal Service is drastically cutting back service to the public at the main post office beginning May 9th,” said Ms. Torrence. “There is a bill before congress now, H.R. 22, which will provide necessary financial relief for the USPS enabling it to survive without all of these drastic cuts and it won’t cost the taxpayers one cent. I hope that pressure from the public who rely on the Postal Service will help motivate Congressmen Jerrold Nadler, Charles Rangel, and Anthony Weiner to sign on as co-sponsors to the bill,” she continued.

Ms. Torrence also participated in the informational picket with the members of the NYMAPU in front of James A. Farley Main Post Office on 8th Avenue in Manhattan to inform customers of the planned cutbacks. The NYMAPU represents clerks, maintenance workers, and motor vehicle operators in Manhattan, the Bronx, and two major facilities in Northern New Jersey.

000

Apr 16, 2009

5. AN UPDATE FROM MAIL MOVES AMERICA

Mail Moves America has been making progress the public debate against extremists determined to ban advertising mail at the expense of thousands of jobs. Our message about the negative impact on jobs from Do Not Mail legislation has now permeated the media coverage, providing important support for our allies and a clear message to lawmakers. What follows is a brief summary of recent activity:

- o MMA worked with its communications team from HDMK to began planning for an all-out media blitz by ForestEthics on the 1-year anniversary of its Do Not Mail campaign. FE’s plans included the passage of a resolution in San Francisco, a USA Today ad in the San Francisco area, and a national push for DNM registries.

MMA communications team engaged San Francisco media, supplying them with our jobs message, fact sheets, and other information. As a result, the DNM resolution received muted if any press coverage, and a San Francisco Chronicle column about it included our main message of jobs. A San Francisco Chronicle editorial echoed our message that DNM legislation is unnecessary given existing options for consumers like DMA Choice.

- o When FE persuaded WNBC in New York City to air a story about its DNM campaign, MMA leadership and communications teams responded on two fronts: DMA worked the consumer options messaging like DMAChoice, while MMA worked the jobs messaging and organized an on-camera response. MMA communications staff worked with Matt Broder of MMA Member Pitney Bowes to deliver our messages and answer questions on air -- and he did a great job.

The resulting WNBC story is not only balanced, it actually favors our side as our views occupy over half the piece and DMAChoice and MMA websites are featured prominently, including screenshots of businesses hypothetically being shuttered by

DNM legislation. Better yet, this favorable piece has been airing on NBC affiliates across the country – 175 times at last count. To view the WNBC story, see this link: http://www.nbcnewyork.com/news/local/How_to_Stop_Unwanted_Mail_New_York.html

o A Chicago CBS affiliate is also preparing a story on DNM efforts for Earth Day coverage, and asked the Printing Industry of Illinois and Indiana (PII) for an interview. PII, an MMA Member, consulted with the MMA communications team and together, they fielded the request, planned a response, and conducted a mock media interview with the chairman of PII's board in preparation for the actual interview with CBS. While the piece has not aired, PII believes the interview went more smoothly because of this preparation.

We still face a determined opponent aided by a friendly mainstream media. Because of this, MMA will continue to be on the lookout for opportunities to shape media coverage of advertising mail to ensure it includes our messages about jobs. Likewise, we stand ready to support MMA members or others with these proven approaches and tactics should you be contacted by the media.

But our messages are working! Now it is incumbent on each of us to work together on getting them out there.

000

6. First-Class Inefficiency

Nick Abraham, Joshua Hall and Ben VanMetre, 04.16.09, 12:00 PM EDT

We protest the postal service's monopoly over the mail.

Postmaster Gen. John E. Potter recently announced that the postal service saw a \$2.8 billion deficit in 2008. Worse, he forecast a net loss of \$6 billion for 2009.

As a result, he discussed several possible ways to eradicate this shortfall, including the elimination of a postal delivery day and increases in the cost of some postage. The idea of losing mail delivery on Saturday, in particular, has led many critics to lash out at the post office, which they charge is poorly run.

This may be--and likely is--true. But we don't know if Saturday delivery is a good idea or not because the post office is a public monopoly.

As Nobel Laureate F.A. Hayek pointed out, the market is a discovery process. While they try to meet consumer demands and earn enough to cover the cost of production, entrepreneurs figure out the right combination of expensive inputs--including operating hours.

For example, Beloit, Wis., where we live, has several diners. Some are open only for breakfast and lunch; others are open all day. It makes no sense to ask which diners are open for the "right" hours. Over a period of years, each of the establishments tried out different combinations of hours until they discovered operating hours that worked best for them given their product mix, customer base, cost structure and competition. It is the market process, and only the market process, that can tell us if a business' current operating hours make sense.

So the main concern about the U.S. post office is that it is a quasi-monopoly, which does not allow for competitive forces to eliminate inefficiencies and determine better ways of operating. The postal service is a textbook example of a monopoly that, because of a lack of competitive pressures, faces little incentive to minimize costs and thus continues to operate at inefficient levels.

In fact, in 1994 scholar Thomas M. Lenard estimated that the annual social costs of the government monopoly over standard mail are about \$1 billion. Not only does this monopoly create inefficiencies, it actually reinforces them. The postal system is pressured to preserve jobs, for example, and so it has an incentive not to take advantage of faster, more efficient technologies to transport mail.

One of the most frequently suggested justifications for continuing the government's postal monopoly, according to economist Robert H. Cohen, is a cross-subsidy from urban to rural customers. Many believe that the postal service experiences a profit loss from rural routes because carriers deliver smaller volumes of mail to a more dispersed population. Actually, however, the postal service reduces delivery costs for rural communities by delivering mail to a central pick-up location instead of providing door-to-door service. The result is that rural routes are no more costly than any other route. Cohen's research shows that there is, in fact, no cross-subsidy, because mail delivery is adjusted based on the characteristics of different customers.

The government has implemented barriers that prevent us from reaping the benefits of competition that challenges the postal system's monopoly. In other countries, however, there is evidence of the pros of postal privatization.

New Zealand, Cornell economist Richard Geddes points out, offers an instructive case. While the island nation did not privatize its postal service, it corporatized it in 1987. The move ultimately led to improvements in efficiency, a 40% reduction in the system's workforce, a doubling in labor productivity, a decrease in the cost of sending letter and a decrease in the price of a basic stamp. Moreover, New Zealand was able to accomplish all of this and maintain comprehensive service to both urban and rural communities.

In recent decades, Sweden, Germany and the Netherlands have all experienced benefits from similar postal reforms. With the U.S. economy facing a recession and federal and household deficits rising, postal reform is all the more imperative.

There is simply no economic reason to continue this monopoly over the mail. Only by letting the market process work will we start allocating valuable resources correctly. And if that means the end of Saturday delivery, we'll be happy to read our mail on Monday.

7. 10 arrested over postal rate scam

The Yomiuri Shimbun

OSAKA--Prosecutors arrested Thursday the former head of a sales promotion department of electronics retailer Best Denki Co. and nine other people over the illicit use by an Osaka-based advertising firm of discount postal services intended for organizations helping the disabled, which resulted in the evasion of about 240 million yen in postal fees.

The Osaka District Public Prosecutors Office suspect that Toshiharu Kubo, 51, violated the Postal Law along with Kazuyoshi Wakabayashi, 57, a former chairman of the printing and mail-order firm Wellco Corp., and eight others.

Kubo denied the allegations, saying he was not aware of any violation. Wakabayashi and the eight others said they would not contest the allegations.

According to the prosecutors, the Fukuoka-based electronics retailer was an advertising client of the Nishi Ward, Osaka-based Shinsei Kigyo, which allegedly abused the discount service. The printing firm, based in Hakusan, Ishikawa Prefecture, was the mediator in the deal, they said.

Prosecutors searched the headquarters of Best Denki and the Tokyo office of Wellco and other locations Thursday.

The Shin-Tokyo branch of Japan Post Service Co. in Tokyo, which accepted a request for mass direct mailing using the discount service, also was searched. The prosecutors will try to determine whether the postal firm had any direct involvement in the case. Arrested along with Kubo and Wakabayashi were an operating officer of Wellco; an operating officer of Hakuhodo Erg Inc., an affiliate of major advertising firm Hakuhodo Inc.; the chairman of Hakusan-kai, a Tokyo-based organization for the disabled; an executive and an employee of Hakusan-kai; and an executive of Kenko Foramu, another Tokyo-based organization for the disabled. Also, the prosecutors rearrested Toshiyo Uda, the president of Shinsei Kigyo--now called Shinsei--and Toru Abe, a former executive of the firm, who both have been indicted on suspicion of abusing the postage discount system and evading postal fees. According to investigative sources, the ten individuals conspired to misuse the discount postal service provided for periodicals issued by organizations for the disabled. They allegedly enclosed periodicals issued by Hakusan-kai and Kenko Foramu in direct mail sent to about 2 million Best Denki card-holding customers in February 2007, evading about 240 million yen in postal fees. (Apr. 17, 2009)

000

Collected by Chairul Anwar, Bandung, Indonesia.

E-mail address : chairulanwar49@operamail.com, uyungchairul@plasa.com.