

POSTAL NEWS

No. 119/2009

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

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1. Save Your Post Office!

Thu Jun 25, 2009 1:44pm EDT

By caitlin.mcdevitt - The Big Money

A rallying cry can be heard across the country, from the swanky streets of SoHo to the tiny town of Randolph, Kan.: "Save Our Post Office!" As the United States Postal Service, weighed down by a crippling multibillion-dollar deficit, shrinks down its operations, post offices across the country are on the chopping block. Each year, hundreds of postal operations shutter, but this coming fall could be the single biggest consolidation in USPS history. Over the next three months, more than 3,200 post offices and retail outlets—out of 34,000—will be reviewed for possible closure or consolidation.

Downsizing is a business imperative, says Linda Welch, acting vice president of delivery and post office operations at the USPS. "Revenues have declined, and mail volume continues to decline," she says. Not only have e-mail and electronic bill paying made for a skinnier mail stream, but the recession has caused a sharp pullback in advertising mail that has hurt the Postal Service even more. In March, Postmaster General John Potter asked Congress for the right to reduce the mail week from six days to five, for a savings of \$3.5 billion. Shutting down post offices will have similar cost-saving effects. And most Americans say they're OK with the cutbacks, as long as they're not paying more to send mail. A recent USA Today/Gallup Poll revealed that more Americans would rather the Postal Service curtail services than seek a bailout or raise stamp prices.

At least, that's what everyone says—until it's their beloved post office at stake. For various reasons, people tend to react with great fervor when their local offices are endangered.

Consider the case of the Hawleyville Post Office. After years of negotiations, this past January, the Postal Service notified the Connecticut community that its 166-year-old post office would officially close on Feb. 14. An article in the local newspaper poignantly noted, "The long love affair between the Hawleyville post office and its loyal customers will come to an end on—all days—Valentine's Day." Its post office

was rickety, but the small community embraced it as a gathering place. One resident told the Newtown Bee, "The Hawleyville Post Office is like Cheers in Hawleyville." In fear of losing its precious haunt, the Hawleyville community mobilized. A Web site was created. A petition was circulated. They got Congress involved. And lo and behold, the community won approval for a new post office, to be opened this summer.

Every time a post office is slated for closure or consolidation, the Postal Service is legally obligated to inform its customers well in advance. "There's a very long process that they have to go through," says Mario Principe, the post office continuance consultant at the National League of Postmasters. That gives the communities plenty of time—usually at least two months—to stage a rescue.

The Postal Service will typically send out a survey or host a town hall meeting before an endangered office closes. Perhaps the closing of a post office means too many lost jobs for an already hurting community. The office might house the bulletin board that posts important community announcements. Or the next-closest post office may be really far away. If customers alert officials to such concerns, there's a better chance that their office will be spared. Appealing the closure decision to the Postal Regulatory Commission often works, too—but it's a step that many communities don't know to take.

It's also important to check out why a post office is on the chopping block in the first place. Those under review this summer are mostly metropolitan branches or stations. But in the case of small post offices, federal law states that the reason can't be just that the office isn't bringing in enough revenue. If that's the only explanation given, then the Postal Service can't legally shut it down.

Often times, post offices face closure because their leases expire. That's the case in Deer Harbor, Wash. After failed attempts to find a new location for the post office, the community decided "in desperation" to buy its property just to keep it in business. If it can raise the \$250,000 purchase price by the end of this month, the Postal Service has agreed to continue operations there.

The Postal Service seems willing to negotiate, and it's not really bothered by the protests. "It actually makes us very proud to know that we are a valuable member of the community," says Welch. She says that the USPS appreciates the great lengths that some communities will go to just to ensure that their services can continue. What the Postal Service would appreciate even more? If those people would show their appreciation by taking the simple step of sending more mail. Oddly enough, that seems to be the unthinkable last resort.

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2. Liberia: Over L\$133,000 Scandal At Postal Ministry

25 June 2009

Few months after the dismissal of Assistant Minister Thierry Genesis for his alleged involvement in corrupt practices at the Ministry of Post and Telecommunication,

another corruption scandal has unearthed, this time around with Deputy Minister for Operation Soko V. Sackor being linked.

Eyebrows have been raised and concerns mounting amongst senior officials of the ministry over the purported withdrawal of L\$33,000 from the ministry's account at a local bank which is not disclosed. Investigations revealed that the money in question was withdrawn outside of what is termed "normal administrative procedures" put in place to coordinate financial matters including withdrawals at the ministry.

An insider confided in this paper that any money withdrawn from the account of the ministry for what ever purpose must be signed by the deputy minister for administration and approved by the minister proper, but instead Deputy Minister for Operation Soko V. Sackor allegedly ordered the withdrawal of said amount from ministry's account under what is termed "refund to subscribers of the regular mail department". According to reports gathered from investigation, due to the alleged withdrawal of the funds almost a month ago, regular mailing, a process through which perishable goods are exported via Brussels Airlines and one of the major generating sources of the ministry, has stopped. While the regular mails are not being exported, sources maintained that during one of the ministry's senior staff meetings held on Monday, it was discovered that the amount in question was withdrawn from the account upon the approval of Deputy Minister Sackor by the Central Cashier, identified as Francis Sellu. The regular mail department is headed by one Mrs. Angeline Mulbah one time head of Expenditure Mail Services (EMS). When contacted, Deputy Minister Soko V. Sackor who came to notoriety during the transitional period, said he would not comment on the matter as a committee has already been set up to investigate the matter, but that he would comment when ordered by the Minister Solunteh.

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3. IntelliNews - Electronic Newsletters and Reports

June 26, 2009.

The editorial arm of ISI Emerging Markets, IntelliNews delivers market moving news and reports in English for over 16 countries in Central and Eastern Europe, as well as regionally for the Baltic States, Middle East & Africa, and Asia.

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4. Govt may freeze start of sale of Japan Post -Kyodo

06.26.09, 01:15 AM EDT

TOKYO, June 26 (Reuters) - Japan should consider freezing the stock market listing of units of Japan Post, which the government had planned for 2010, Kyodo news agency quoted Internal Affairs Minister Tsutomu Sato as saying on Friday.

Allegations of mishandling of the privatisation of Japan's postal services have fuelled doubts about the plan and led to the resignation of Sato's predecessor this month, damaging support for the already unpopular LDP ahead of an election.

Article Controls

Former prime minister Junichiro Koizumi led the long-ruling Liberal Democratic Party to a landslide election victory in 2005 in what he pitched as a referendum on postal privatisation as a symbol of market-friendly reforms.

Japan Post, a state-owned holding company, is supposed to list shares of two of four units of the former post office on the stock exchange as early as 2010, one for banking and one for insurance, and sell its stakes by 2017.

'It's something that should be considered,' Sato told reporters when asked about freezing the flotation, Kyodo said.

Japan's opposition Democratic Party, which polls show has a good chance of ousting the LDP in an election that must be held by October, has said it would revise postal privatisation plans.

The global financial crisis has sparked calls in other countries for a rethink of postal privatisations as governments take a bigger role in economies.

Even Prime Minister Taro Aso said earlier this year that he had opposed postal privatisation, sparking an uproar before he backtracked.

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