

# POSTAL NEWS

No. 165/2009

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

- 1. Scottish postal union bosses say Royal Mail are inflaming dispute. Oct 18, 2009.**
- 2. EDITORIAL: Postal privatization. Oct 15, 2009.**
- 3. Paperless postal system gets court challenge. Oct 13, 2009.**
- 4. Kamei Says Japan Post May Branch Out Into Aged Care Business . Oct 14, 2009.**
- 5. Universal Postal Union to upgrade RFID system with Alien tags. Oct 14, 2009.**
- 6. Postal dept launches service to trace mails via SMS. Oct 14, 2009.**

## **1. Scottish postal union bosses say Royal Mail are inflaming dispute**

Plans to recruit more temporary seasonal staff to clear possible backlog criticised by union.

18 October 2009 12:35 PM

Scottish postal union officials say Royal Mail is only inflaming their long running dispute with plans to recruit up to 30,000 staff to cope with strikes by postal workers.

The company, which is facing nationwide walkouts from Thursday October 22, is to hire twice the number of extra employees it usually takes on in the run-up to Christmas.

Normally 15,000 staff are brought in before the Christmas period - the busiest time of the year for the company. Royal Mail says that temporary staff will clear the backlog of items expected to be caused by the strike.

Unions are now considering a legal challenge to the move.

The dispute centres on job cuts and modernisation plans. Royal Mail says that the measures are essential to improve efficiency, but the Communications Workers Union says that they are fighting to preserve the service from further erosion and to safeguard the jobs and conditions of members.

The national strike follows a ballot of 130,000 union members. There have already been a number of local stoppages in the dispute, in depots including Edinburgh and London. The last national strike was in 2007, and it cost Royal Mail millions of pounds. Strike action would hit many businesses at a key time, and a number of companies that rely on the postal service for deliveries are thought to be considering changing to other delivery services.

More talks are to be held between both sides on Monday, but there seems little sign of the strikes being called off.

Last updated: 18 October 2009, 12:37

000

## **2. EDITORIAL: Postal privatization**

October 15, 2009 08:00:00 AM

At a time when many American businesses and industries are being forced to cut back, reorganize and rethink their operations, there's no reason why the United States Postal Service should be immune to similar changes, painful as it might be for some.

The mail carrier is hemorrhaging red ink like the Exxon Valdez and must adapt to rapidly evolving technological and social environments.

Earlier this year, the USPS announced it has targeted Parker's Eastside postal station at the corner of U.S. Business 98 and U.S. 98 for closure, making it one of 3,100 stations and branches nationwide that could be consolidated. Now the Postal Service says it will study making changes at its Sherman Avenue processing facility in Panama City. Those could include moving some operations to Pensacola, which likely would result in a loss of local jobs.

It's too early to break out the funeral crepe. Intense local lobbying might influence the USPS' decision, or it could conclude that it ultimately won't benefit from transferring services up the coast. However, the agency can't afford to stand still. Significant changes will have to be made somewhere, if not everywhere.

The USPS was facing a staggering \$7 billion in losses this fiscal year before Congress stepped in at the last minute and passed legislation allowing the service to forgo making \$4 billion in payments to pre-fund retiree health benefits. That's a Band-Aid on a severed artery which does nothing to repair the mail carrier's obsolete business model. Its situation is akin to selling buggy whips while Henry Ford is cranking out Model T's.

Because of the increase in the use of digital communications — e-mail, text messages and the Internet — the overall volume of traditional “snail” mail has been declining for seven years. Undoubtedly, the economy has exacerbated the situation. Postal officials say that 90 percent of their volume is business-related, and businesses trim operations during a recession. But when economic growth returns, it would be foolish

for the USPS to optimistically believe that its fortunes will reverse. For instance, The Washington Post has pointed out that one of the biggest declines in first-class mail this year was from people filing their taxes online.

Those folks, and an increasing number of others, aren't coming back.

When facing such daunting challenges in the marketplace, savvy private businesses will take drastic measures, from innovating (incorporating new technologies into revamped processes) to restructuring management and operations hierarchies. This often involves closing offices and cutting staff. When forced to, they often find they can perform better with less.

The full range of those options, though, are not available to the USPS because it is a quasi-federal agency. When the service has proposed cutting post offices and consolidating service areas, it has been met with congressional resistance — lawmakers block the moves to curry political favor with constituents. It also has a large and heavily unionized workforce, which has hamstrung reform.

The best solution would be to get government out of the mail business. Privatize mail delivery, just as many European nations and New Zealand have done successfully, and end its legal monopoly on first-class mail delivery, opening it up to competition. That ultimately will result in lower costs and better service for customers — and give the USPS a fighting chance to survive.

000

### **3. Paperless postal system gets court challenge**

San Francisco's new experiment with a paperless postal system just hit an early speed bump.

Pitney Bowes, the \$6.3 billion postal products and services firm, today sued the company providing the technology for San Francisco's pilot program, alleging patent infringement.

The lawsuit, filed in U.S. District Court in Los Angeles, alleges that Zumbox, a secure e-mail service that allows senders to contact people online using their street address, infringes on three Pitney Bowes patents. The lawsuit seeks a court order halting Zumbox's activities and unspecified monetary damages.

Zumbox CEO Donn Rappaport rejected the allegations.

"We are confident that Zumbox is not in violation of, or infringing on, Pitney Bowes' patents in any way," Rappaport said in a statement. "Further, we had no prior

knowledge of this lawsuit before Pitney Bowes filed the suit and issued its press release ... We are just now reviewing the suit to better understand their motives."

San Francisco, which last month sent out its first letter via Zumbox reminding residents about the mandatory composting and recycling law taking effect next Wednesday, plans to continue using the service on a trial basis.

Zumbox allows someone to send secure online messages to people based on their street address. The intended recipient has to go to Zumbox's web site, sign in and enter a security code that is physically mailed to them to read messages.

If enough people use Zumbox, it could lead to considerable savings on postage, labor and paper, benefiting the city's bottom line and the environment. It is being provided free to the city.

"We thought this was an interesting idea and seemingly a leader in the space," said Lawrence Grodeska, internet communications coordinator for San Francisco's Department of the Environment. "As far as we could tell, they were the only folks occupying this niche in the online landscape."

City officials still plan to try out the service for about three months, Grodeska said.

"As for right now, I don't think (the lawsuit) necessarily changes anything," Grodeska said. "But we'll be watching this closely and making sure we follow the letter of the law."

Posted By: John Coté (Email) | October 13 2009 at 05:07 PM

000

#### **4. Kamei Says Japan Post May Branch Out Into Aged Care Business**

By Takahiko Hyuga

Oct. 14 (Bloomberg) -- Japan Post Holdings Co. could expand into the aged care business, Financial Services Minister Shizuka Kamei said in a speech to the Japan National Press Club in Tokyo today. Kamei, who also oversees the postal service, said branches in rural areas could also be used for aged care. He added that the postal service's next president, to be named later this month, will create a business plan for the service.

To contact the reporter on this story: Takahiko Hyuga in Tokyo at [thyuga@bloomberg.net](mailto:thyuga@bloomberg.net)  
Last Updated: October 14, 2009 01:52 EDT

000

## **5. Universal Postal Union to upgrade RFID system with Alien tags**

Wednesday, October 14, 2009 in News

The Universal Postal Union (UPU) has announced that it will upgrade its 21 country quality efficiency program with new RFID tags provided by Alien.

The program involves placement of UHF RFID tags within thousands of test-delivery envelopes which are subsequently circulated throughout various post offices in the 21 participating countries, ranging from Mexico to Malaysia. The tagged envelopes are then read at distinct locations and the efficiency of the postal network is then measured and quantified.

The main objective of the program is to identify potentially slow mail routes and bottlenecks in order to streamline the delivery processes. In order to ensure accurate reads, the UPU selected Alien's tags, which were recently lauded as "top ranking" by the European EPC Competence Center (EECC).

The AIDA Center, commissioned by the UPU to help decide which tags to choose, agreed with the EECC after conducting comparative inlay analysis, finding that the Alien tags provided the best read range as well as the most consistent read performance.

000

## **6. Postal dept launches service to trace mails via SMS**

Press Trust of India / Chennai October 14, 2009, 15:35 IST

The Department of Posts today launched a new service that would enable customers to trace their mails through Short Messaging Service (SMS).

"This new service will enable public to locate their mails, especially speed post, by sending an SMS and they will receive the location of their mail," T Murthy, post master general, Tamil Nadu circle (business development and marketing) told reporters here.

One has to type the 13 digit number, printed in the receipt that was given during booking, and sms it to '55352', he said.

Murthy said this service would be availed in all mobile service providers.

He said there was a substantial drop in receiving first class mails due to technology revolution. "Five years ago, city post offices handled 13 to 14 lakh first class mails per day. Currently, we handle only about nine lakh mails a day."

Murthy said 81 kg of gold worth about Rs 5.5 crore was sold through post offices in Tamil Nadu. "In this festive season alone, we have sold 28 kg of gold from September 24, to October 12," he added.

000

Collected by Chairul Anwar, Bandung, Indonesia.  
E-mail address : [chairulanwar49@operamail.com](mailto:chairulanwar49@operamail.com), [uyungchairul@plasa.com](mailto:uyungchairul@plasa.com).