

POSTAL NEWS

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1. Report: RFID for postal and courier services, \$2.5 billion by 2018

Wednesday, February 23, 2011

In the new report “RFID for the Postal and Courier Service”, IDTechEx estimates that the global market for RFID systems, including tags, will reach \$2.5 billion in 2018.

The report goes in-depth, covering more than 40 cases studies of RFID in action at postal and courier services in North America, Europe, the Middle East and East Asia. Detailed ten year forecasts are also displayed, plus a full explanation of the technologies.

The report mentions a postal RFID system, successfully tested in Korea this year, which completely automates the whole process of mail delivery from accepting the package to classification and dispatching.

Also noted is the Swedish Post and their system that detects and records tampering using RFID and other innovations abound, including RFID cards controlling driver access to postal vehicles and RFID enabled postal sorting equipment.

More than one trillion postal items will be tagged yearly, making this the second largest application of RFID in the world after the retail supply chain. “Postal services ignoring this accelerating change”, said IDTechEx, “will become uncompetitive and suppliers missing out will regret it.”

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Research and Markets: RFID for Postal and Courier Services 2011-2021

26.02.2011 12:16:23

(live-PR.com) -

Research and Markets (www.researchandmarkets.com/research/92636c/rfid_.. :) has announced the addition of the " RFID for Postal and Courier Services 2011-2021 : " report to their offering.

Detailed ten year forecasts are given plus a full explanation of the technologies. In detail, there are 40 new case studies of RFID in action in the postal and courier service in North America, Europe, the Middle East and East Asia. The major breakthroughs that will provide future success are discussed. Postal services ignoring this accelerating change will become uncompetitive and suppliers missing out will regret it.

In the major new report "RFID for the Postal and Courier Service", IDTechEx estimate that the global market for RFID systems, including tags, in this sector will be \$2.5 billion in 2018. It could be much bigger if current efforts to tag individual items gain widespread acceptance. In due course, over one trillion postal items will be tagged yearly, making this the second largest application of RFID in the world after the retail supply chain. Detailed ten year forecasts are given plus a full explanation of the technologies. In detail, there are over 40 new case studies of RFID in action in the postal and courier service in North America, Europe, the Middle East and East Asia. The major breakthroughs that will provide future success are discussed. Postal services ignoring this accelerating change will become uncompetitive and suppliers missing out will regret it. RFID is an idea whose time has come in postal, courier and high volume light logistics. In the past, RFID has been used for little more than the evaluation of postal performance, using tags in a small percentage of letters, and the tracking of a small number of conveyances and vehicles. No longer. From the International Postal Corporation now monitoring mailflow with RFID in over 50 countries to Saudi Post tagging postal boxes, the big innovations are now happening. There is even a postal RFID system that completely automates the whole process of mail delivery from accepting the package to classification and dispatching. It has been successfully tested in Korea this year. Korea Electronics and Telecommunications Research Institute ETRI demonstrated this RFID system in front of representatives from the Ministry of Information and Technology and private sector representatives. The current postal package unified information system uses barcodes, thus necessitating human effort at every mail center to input mail numbers into the system. This results in inaccuracies during transfer of duties and it delays the mail dispatches. The new RFID system, developed by ETRI of Korea, aims to reduce costs, errors and tedious human intervention. When perfected, it will provide a comprehensive electronic postal system with the potential to maximize mail package process capabilities while minimizing logistics cost. Real-time information automation, impossible with the existing system, is now possible, claims ETRI. It is difficult to estimate when pervasive RFID tagging of most of the courier and letter post will occur but RFID enabled parcels, conveyances, vehicles and trailers are now commonplace, with multiple paybacks often being enjoyed. RFID is enhancing security and safety and removing tedious operations. Swedish Post has a parcel that detects and records tampering using RFID and other innovations abound, including RFID cards controlling driver access to postal vehicles and RFID enabled postal sorting equipment. Little wonder that companies as large as Microsoft have entered the fray. The global potential is illustrated by its decision to offer its first postal systems in Taiwan and elsewhere in East Asia.

2. The Inevitable Demise of the Postal Service

Posted by Michael Vizard Feb 25, 2011 2:01:03 PM

If the folks at Zumbox have their way, the postal service as we know it will soon be obsolete.

Zumbox has created the digital equivalent of a postal service that is mapped to every street address in the country. When a household signs up for the Zumbox service, all the monthly billing statements that the address receives are converted into a digital format. The customer then receives an e-mail notification each time there is a new bill and all the monthly bills are archived in a searchable repository that customers can examine and print out in case of a billing dispute or they need a paper receipt for tax purposes.

Zumbox CEO John Payne says the service works in partnership with all the clearinghouses that send bills each month to millions of households. When one of those services detects that a bill is going to be sent to an address in the Zumbox service, Zumbox software routes that bill over to Zumbox rather than create a paper copy that needs to be physically mailed.

From a business perspective, the savings could be massive because companies spend millions of dollars sending bills using first-class postage. In fact, if the volume of those first-class letters were to drop substantially, it's unlikely that the already financially troubled postal service would be economically viable. Postal services basically rely on the margins from first class mail to subsidize a variety of postal rates. Without enough first-class mail, rates for other classes of mail would have to rise to the point where the companies that use those services would find other means to deliver products and messages, such as using an alternative carrier or stuffing more fliers in your local newspaper.

Payne argues that Zumbox also make it possible to gather useful demographic information without intruding on the privacy of individuals, and notes that companies can still include special digital offers with their electronic bills.

A massive shift to electronic billing has been on the environmental agenda for years. But finding a practical way to do it that doesn't require people to log in to 20 different sites to pay their bills has been a problem. Now if all the electronic bills are centralized, not only do we save massive amounts of money on paper, we reduce the amount of carbon that is generated simply to deliver the mail.

Of course, the folks in Washington, D.C., for any number of political reasons might have something to say about the demise of the postal service. But if we're really serious about cutting the cost of government while improving the overall state of the environment, then with the rise of e-mail and the advent of electronic billing you have to ask yourself whether the postal service as we know it today really has enough meaningful function to warrant its continued existence. Even Ben Franklin, founder of the U.S. Postal Service, would have a tough time coming up with an answer to that one.

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3. Online trend cuts postal revenue

5:30 AM Saturday Feb 26, 2011

New Zealand Post Group's half-year net profit fell to \$15.8 million from \$42.5 million a year earlier, with the state-owned organisation saying its result was affected by continuing effects from the economic downturn.

Expenditure in the six months to the end of December was \$49.8 million higher at \$638.8 million, caused mainly by a \$26 million rise in bad debt provisioning by Kiwibank, a one-off \$5.7 million loss on sale of an Air Post aircraft, and ongoing cost pressures.

The result was also affected by a \$13 million reduction in fair value gains in Kiwibank, NZ Post said yesterday.

Operating revenue rose \$30.5 million to \$652 million compared with the same period last year, with Kiwibank and Datam being the main contributors to the improvement.

The postal business and store network produced lower revenue because of a continuing customer trend towards electronic mail and online transaction use.

An interim dividend of \$1.8 million is to be paid, compared with \$5.7 million for the same period last year.

Slow economic activity, digital substitution and competitive trading conditions remained immediate ongoing challenges, group chief executive Brian Roche said.

"We have taken a variety of initiatives to address the underlying performance of the group, simplify the business and strengthen our customer focus, including our ongoing work in developing digital products."

Excluding the higher debt provisioning, the core Kiwibank business continued to grow but at a slower rate than a year earlier, Roche said.

Domestic mail volumes for the half year were down by 3.6 per cent, or 15.7 million items - a lower rate of decline than in recent years, with local body election mailouts offsetting an underlying annual volume decline of about 4.5 per cent.

That, combined with price changes from October 1 and close attention to cost management, had enabled the postal business to exceed expectations for the period.

Flat economic activity resulted in static courier and freight volumes for Express Couriers, NZ Post's 50:50 joint venture with DHL.

Trading conditions were also challenging for Parcel Direct Group (PDG), the 50:50 joint venture with DHL in Australia. After a write-down in the 2009/10 financial year, its future had been reviewed and a decision made to start a divestment process for all or part of that business, Roche said.

He did not expect the group to achieve its full-year net profit target of \$60.8 million.

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