

POSTAL NEWS

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- 1. Postal department will now courier your parcels in boxes at flat rate. May 10, 2011.**
- 2. Swiss Post boosted by PostFinance growth. May 9, 2011.**
- 3. An Post fails to deliver on next-day mail promise. May 9, 2011.**
- 4. European postal network buys stake in Shuti's delivery revolution. May 9, 2011.**
- 5. World Mail & Express Europe: One week remains until Brussels event. May 9, 2011.**
- 6. Postal Services Success Following Investment. May 4, 2011.**

1. Postal department will now courier your parcels in boxes at flat rate

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By DNA Correspondent | Place: Bangalore | Agency: DNA

When was the last time you used the postal department's parcel service? Remember all the bother of getting what you had to send packaged properly? Here's news that could make you rely more on the government service than private couriers — the postal department has introduced a new parcel service, called 'domestic and international flat rate boxes'.

As the name indicates, the department of posts will provide you a box into which you could put what you need to send. Depending on the weight of the package, and whether the destination is domestic or foreign, rates are fixed at different slabs.

"The service will be an air express service, providing time-bound delivery. It will fall under the brand Parcel Post," said A Vasumitra, post master general, business development and technology, speaking to the media. Flat rate boxes will be transmitted by air and road, and the service will provide efficient delivery of parcels to any part of the world.

The boxes will be available for sale at selected post offices, and customers can provide details of the sender and recipient on the box.

Tariff for the boxes has been fixed depending on the weight of the item — for domestic services, a 1 kg box will cost Rs125, a 2.5-kg box will cost Rs200, and a large 5-kg box will cost Rs400. For international services, the charges will be higher — Rs1,000 for a one-kg box, Rs1,500 for a 2.5 kg box and Rs2,500 for a parcel box weighing 5 kg. A box can be retained for a year.

With private courier services providing services that are often cheaper or more efficient than the postal department, there was need to evolve ways to beat competition. Vasumitra said, "Our service is a completely a registered service, completely reliable, unlike the services offered by private couriers. Hence, there is no chance that anything can go missing. There will be complete security to ensure that the parcel is delivered on time." And if the parcel fails to reach its intended recipient, compensation will be paid to the customer, said Vasumitra.

To ensure proper security, the department will scan the object through the box. “X-ray screening will be done for every parcel,” Vasumitra said. The security track system will take another year, before it is fully computerised. Norms pertaining to the details of delivery will also be published, Vasumitra added.

The department has already been running the service on a trial basis. In the year since it was first tried, demand for the service has increased, and the postal department is confident that the new service will meet the long-felt need of customers.

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2. Swiss Post boosted by PostFinance growth

Monday, May 9th, 2011

Swiss Post announced that Group profit soared by 16% during Q1 2011 – boosted by a rise in customer deposits at its banking arm PostFinance.

Describing the results as “good”, the company revealed that Group profit rose to CHF 319m (EUR 252.9m) for the quarter, compared to CHF 274m (EUR 217.2m) for the corresponding period last year.

Swiss Post said the rise in customer deposits at PostFinance was the main reason behind the increase. “The positive development was primarily due to an increase in new customers and customer deposits,” a company statement said.

However, Swiss Post said that the “markets of communication, logistics and public passenger transport also showed slight improvements on the previous year”.

Despite the rise in Group profit, operating income across the Group fell by CHF13m to CHF 2.21bn. The company claimed that lower revenue from real estate disposals and foreign currency effects were behind the decline.

“Investments, which totalled CHF 62m and were once again entirely funded from the Group’s own resources, were slightly higher than the same period last year,” the company said, whilst adding that “total assets exceeded CHF 100bn for the first time”.

Operating income across a number of Swiss Post’s divisions suffered from decline. PostMail’s operating income stood at CHF 669m for the period (down from 2010’s CHF 680m). Other areas also suffered from a decline in operating income: Swiss Post Solutions (2011: CHF 139m; 2010: CHF 161m), Post Office & Sales (2011: CHF 445m; 2010: CHF 459m), and PostLogistics (2011: CHF 359m; 2010: CHF 377m). However, Swiss Post International saw operating income grow from CHF 205m to CHF 220m over the period. PostBus also saw a rise in operating income, up to CHF 177m from CHF 171m.

In terms of PostFinance, 18,000 new customers joined the banking arm, including the opening of 48,000 new accounts (up by 9,500 compared to the corresponding period). The number of customers now stands at 2.77m.

“Average customer deposits rose by CHF 5.2bn to CHF 89.4bn. This increase led to improved net interest income, up by 22% on the same period last year, despite a consistently narrow interest margin. This is the main reason for earnings of CHF 181m in the first quarter of 2011 (+39% against the same period last year),” a statement said.

PostFinance said it is “satisfying customer needs with its attractive products and reasonable conditions”. The banking arm also created 116 new jobs during the period, mainly in regional locations.

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3. An Post fails to deliver on next-day mail promise

By Ed Carty

Monday May 09 2011

AN POST is failing to deliver three in every 20 letters within a day of being posted -- despite promising to increase efficiency and hit a 94pc next-day delivery target seven years ago.

A tracking survey of postal service and quality has found 85pc of standard letters, large envelopes and packets reached destinations within one day.

But the Commission for Communications Regulation (ComReg) warned that it still fell far short of An Post's own target for 94pc one-day deliveries.

The scorecard showed the service managed a 1pc improvement compared to 2009.

"Despite the An Post performance standard of 94pc being in place since 2004, a significant deficit still prevails between actual performance and An Post's performance standard," ComReg said.

Despite the poor performance, chief executive Donal Connell is paid €500,000 a year, and will retain his generous package this year.

The company's annual report published last week shows that Mr Connell's basic salary of €386,000 is topped up by benefits, including a car allowance worth €21,000, a director's fee of €16,000 and pension contributions worth €77,000.

Mr Connell has waived a performance bonus worth up to 25pc of his basic salary for the past three years. An Post has confirmed in recent weeks that a bonus of €97,000 earned between 2006 and 2009 has not been claimed.

The assessment in delivery rates, which is the eighth independent report on An Post's quality, ruled out delays in the service brought about by two spells of freezing weather at the end of November into December and the fortnight leading up to the new year.

The best-performing postal routes are those outside Dublin where there is an 86pc next-day delivery success rate.

Mail sent from outside the county into the capital had the worst score -- 83pc for next-day delivery.

The study, conducted by Ipsos MRBI, found that 99pc of all mail was delivered within three working days, narrowly failing to hit targets by just half a percent.

The report was based on 28,487 test mail items, posted and delivered to identify on time reliability.

The company has warned it will need to reduce its workforce by 1,600 by 2015 on top of the 730 lay-offs over the past two years.

- Ed Carty

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4. European postal network buys stake in Shutl's delivery revolution

A start-up that claims its technology will transform how consumers' online purchases are delivered has sold a stake to a European postal giant.

9th May 2011

Shutl founder Tom Allason believes his online marketplace for same day couriers can transform ecommerce Shutl, which is just 18 months old, has raised £650,000 as one of Europe's largest postal networks joined existing backers in its latest investment round.

Shutl founder Tom Allason said that the undisclosed postal group will provide introductions that could see it work with some of its new backer's 50,000 customers across Europe. The investor, whose stake represents less than 10pc of Shutl, is one of Europe's largest employers.

"We were in discussion with a number of venture capitalists when we were approached by this party [but] we felt no traditional investor could bring as much to the table," said Mr Allason.

London-based Shutl recently completed a successful trial with Argos, which saw the retail giant's customers given the option of having products bought online delivered in as little as 90 minutes for £4.95.

The technology works by connecting retailers with local same-day couriers in a virtual marketplace. Delivery capacities are compiled in a web service which can be integrated with retailers' e-commerce platforms, allowing them to offer a specified same-day delivery slot at a price comparable to the cost of standard multi-day delivery by relying on local stock and couriers rather than a handful of centralised hubs.

The six-month Argos trial, which was originally confined to London, is now expected to be rolled out to a number of the chain's other UK stores.

Mr Allason said that he started Shutl because he saw consumers' delivery options lagging behind the growth of e-commerce.

"The first recorded online sale was in 1994 — a Sting CD for \$12.50. The internet was just 30,000 pages. Now, Google indexes trillions of pages a day. You can buy anything from anywhere in seconds but delivery hasn't changed in all that time," he said.

Shutl has raised a total of £1.6m in venture finance. Its lead investor is early-stage private equity firm Hummingbird Ventures. It also counts LoveFilm investor Simon Murdoch and Bebo co-founder Paul Birch among its backers.

It will use its latest investment to build a UK sales force and to "begin exploring" the European market via its new investor, Allason said, adding that the company would raise additional finance later this year.

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5. World Mail & Express Europe: One week remains until Brussels event

Monday, May 9th, 2011

Only one week remains until key players from the mail and express industry descend upon Brussels for the sector's leading event – don't miss your chance to join them. The countdown to the World Mail & Express Europe Conference is well-underway, in what promises to be the best event yet. The event takes place on 17-19 May at the Conrad Hotel, in Belgium's beautiful capital city.

Not only will attendees benefit from a stimulating and invaluable conference – operating under the title: 'Delivering Growth & Addressing Decline' – they will also have the chance to don their dinner jackets and evening dresses for the industry's premier experience – the World Mail Awards.

And if that wasn't enough, the three-day Brussels pass also encompasses informative Technology and Transformation Seminars.

It also includes what promises to be an evening you'll never forget at the Belgian Comic Strip Center (18 May) – enjoying fine foods and fun entertainment courtesy of bpost international.

World Mail & Express Europe, hosted by the Belgian operator, has been billed as a 'must attend event'. [Click here](#) to see a video from CEO Peter Somers on why you should attend.

A number of world-renowned companies have already put their names to the event, including: Adobe, Deloitte, FedEx, Intermec, Neopost, Solystic, Swiss Post, and Western Union – and you have the opportunity to join them.

An intriguing blend of conference speakers also awaits delegates in Brussels, including: Johnny Thijs, CEO of bpost; Omar Farra, Director Business Development at La Poste; and Carl W. Asmus, Vice President International Market Development, FedEx Services.

Event organiser, Triangle Management Services, has issued a reminder that a room rate of EUR 249 per night is available at the Conrad Hotel. Rooms and prices subject to availability, [please click here](#) to book now.

The Technology and Transformation Seminars will take place on the afternoon of 17 May, followed that evening by the World Mail Awards. The two-day conference will kick-off on the morning of the 18 May, closing the following afternoon. "Click here to register now!"

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6. Postal Services Success Following Investment

04 May 2011 - Hellmail Postal News

Totalpost Services plc will use a £150,000 loan from FW Capital to support its strategy of becoming one of the UK's top complete mailroom services suppliers.

Headquartered in Cumbria, the company will use the loan to purchase a new production line used for recycling and refilling franking machine cartridges as well as to complete its Warrington disaster recovery and business continuity centre.

"Totalpost's vision is to provide a cost-effective, complete mailroom service to companies in the US, UK and Europe," explained David Hymers, Managing Director. "We already supply and maintain postal and other office equipment for blue-chip companies, banks and government departments in the UK and we now plan to enter new markets in Europe as well as to grow our existing UK and US operations."

Totalpost currently operates from three UK centres and also supplies companies in more than 18 countries.

The company's disaster recovery and business continuity centres in Warrington and Swindon offer mail sorting and opening services, outgoing mail fulfilment, returned and 'gone away' mail, document scanning and storage.

Totalpost also operates a mailroom services business in the US and is currently looking to set up similar operations in France and Germany.

"Using FW Capital's investment we've taken the production of our own label franking machine cartridges in-house and we now operate three production lines to meet the

growing demand for our products," Hymers added. "We are also looking to set up mailroom services operations in Germany and France."

Gary Guest, Fund Manager at FW Capital said: "Totalpost has a clear understanding of the market potential for its products and services. The loan from FW Capital will help the company meet the growing demand for its products and services, which will take them to the next stage of their growth plans."

FW Capital's investment is the second loan from the North West Fund for Business Loans.

Andy Leach, chief executive of NWBF said: "I'm delighted that The North West Fund for Business Loans is supporting Totalpost in achieving its growth plans. As a North West business, active across the UK and beyond Totalpost is reflective of the ambition of North West businesses and entrepreneurs that The North West Fund is hoping to support."

FW Capital currently has offices in Manchester and Liverpool and manages the £35 million North West Fund for Business Loans which makes investments of between £50,000 and £250,000 to viable small and medium-sized businesses (SMEs) based in the North West of England.

FW Capital is part of the Finance Wales Group, one of the UK's largest SME investment companies. The Finance Wales Group manages funds of more than £335 million and has invested over £183 million. It invested a record £37 million in SMEs in the 2009-10 financial year through 246 equity and debt investments.

The North West Development Agency (NWDA) led the development and creation of The North West Fund from drawing-board (2008) to launch (2010) and NWDA funding will continue to support The North West Fund until 2015 as one of its major legacy projects.

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