

# POSTAL NEWS

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## **1. Korea Post and Pos Malaysia sign cooperation pact**

Monday, July 18th, 2011

Korea Post and Pos Malaysia have signed a memorandum of understanding seeking to work more closely together to improve services.

Ahead of a state visit by Malaysia's head of state Mizan Zainal Abidin in South Korea this week, the two postal operators agreed to cooperate particularly in the fields of express mail services and e-commerce services.

The memorandum of understanding stated their intention to cooperate to grow international mail volumes through joint marketing initiatives, as well as improving service quality.

The two Posts also pledged to work to modernise postal infrastructure and develop new postal and financial services.

The pact would also see Pos Malaysia making use of Korea Post's expertise in the field of information technology.

Further negotiations on a more concrete bilateral agreement are expected to come at this month's Asian-Pacific Postal Union executive council meeting later this month in Mongolia.

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## **2. Malaysia automates national postal service**

By Adrienne Valdez | 18 July 2011

An automation system has recently been deployed for Malaysia's national postal service, Pos Malaysia Berhad, unifying the large-scale facility and achieving one of the highest operational throughputs in the world.

The system was launched last month and is now fully operational at the newly established National Mail and Parcel Hub in Shah Alam, Selangor.

The system includes a Culler Facer Cancellor (CFC), 6 Mail Processing Machines (MPM), a Flat Sorting Machine (FSM) and an integrated Optical Character Recognition (OCR) and Video Coding System (VCS). Three CFCs from existing

nearby mail centres have also been integrated at the NMPH, resulting in a large-scale unified facility.

The MPMs are high-speed letter sorting machines with an operational throughput of up to 41,000 mail items an hour, one of the world's highest levels of performance.

The FSM features three automatic feeders, 220 stackers and high-speed sorting machinery with an operational throughput of up to 22,500 large and heavy mail items per hour, including envelopes, magazines and catalogues.

Additional features include an integrated postal address recognition OCR that is capable of simultaneously processing mail images from the FSM and 6 MPMs. The system also processes machine printed and handwritten addresses at a read rate of more than 90 percent by searching several million addresses at a speed of more than 70 items per second.

The system features an open interface in compliance with conditions set by the European Committee for Standardisation, which enables high scalability in the future.

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### **3. DHL launches direct ocean link from Shanghai to Seattle**

Monday, July 18th, 2011

DHL has launched a new weekly direct LCL service from China to the west coast of the United States.

The company said the ocean freight link from Shanghai to Seattle would help Chinese businesses extend their footprints into the US market.

The service is being operated by Danmar Lines, and should see items received in the US within 12 days – a four-day improvement in transit time according to DHL.

Tara Caputo, director of LCL for DHL Global Forwarding North America, said most freight arriving on the West Coast enters via the Port of Los Angeles, but a direct route into the Pacific Northwest will mean a reduced carbon footprint as well as shorter transit times for items shipped to the Seattle and Portland areas.

All DHL's LCL services come with tools including Track & Trace to allow full visibility throughout the whole supply chain, along with the option of insurance. Caputo said: "By adding this additional direct service from Asia to northwest region of the U.S., DHL continues to strengthen its overall portfolio of LCL services to customers who are looking for more direct routes with more flexibility."

DHL, which now handles nearly 2m cubic meters of LCL freight each year through its port-to-port network, said demand was building among both small businesses and multi-nationals in China for ocean freight capacity, and that last year the Port of Shanghai surpassed Singapore as the world's biggest container port.

Over in the US, Seattle is one of the country's top container ports, DHL said.

"While the Port of Los Angeles receives the bulk of ocean freight traffic on the west coast, Seattle is also listed as one of the top ten U.S. Customs districts," said Mark McGonegal, regional vice president West Region for DHL Global Forwarding.

"Thanks to Seattle's strategic location and the Port's capacity we were able to respond to the positive input for this type of service from our Pacific Northwest customers."

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#### **4. Postal Workers Rally for Cancer-Stricken Co-Worker**

by Daisy Martinez

Posted: 07.17.2011 at 11:06 PM

There's usually not much action at the Harlingen U.S. Post Office on Sundays, but on this occasion, about 25 postal workers gathered there ready to work.

The employees gathered for a benefit barbecue to help John Alvarez - also a postal worker.

Alvarez was diagnosed with throat cancer in March and has been going through extensive treatment. Silvia Santillan, a postal carrier, said the sad news has united the employees at the post office.

"The postal service has always had a motto - to stand together, we work together and we're proving that today," Santillan said.

"The postal service has come through for us. John is a transfer from California...so here, we are his family."

Alvarez is also Santillan's brother-in-law. She said dozens of community members and businesses came forth to give a helping hand.

"It means unity," Santillan said. "We've lost that sense and we just want to make sure that everybody is aware that anyone can face this.

Cancer (does not discriminate) against anybody - it could be us today, tomorrow someone else." The postal workers grilled over 600 pieces of chicken, and cooked along with rice and beans.

They were hoping to raise \$4,000 for their friend. Rolando Morales, also Alvarez's brother-in-law and a postal worker, said the community's support gave Alvarez strength.

"You could see the smile on his face," Morales said. "His spirits are high, so I just want to (tell) the community that came by to pick up a plate - thank you."

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#### **5. Postal Service is a vital hub for America**

By William B. CookThe Post-Star | Posted: Saturday, July 16, 2011 11:00

William B. Cook is president of the Northeastern NY Branch 358 National Association of Letter Carriers, a position he has held since 1994.

He also serves as the organization's statewide director of legislation.

He lives with his wife, Christine, in Milton.

I am writing this essay on behalf of the 800 members and their families of Northeastern New York Branch 358 National Association of Letter Carriers, of which I am a member and the president.

Branch 358 represents the letter carriers in the Glens Falls region that this newspaper serves. On June 26, The Post-Star printed an editorial that declared the Postal Service as broken and inefficient. This message is replete with inaccuracies.

For the record, since 1982 the Postal Service has not received any taxpayer support and does not need it now. We deliver to 150 million American homes and businesses six days a week. In fact, the customer base is not shrinking; it is increasing at the rate that equals the size of Houston, Texas, every year.

Like many businesses in this trying time, the Postal Service faces financial challenges due in part to the recession. However, unlike private business, the Postal Service and its employees are required by law to pay into the federal government all monies for pension and health benefits. In turn, the federal government is to use that money for the benefit of the 575,000 employees and the retirees.

The federal government is requiring the Postal Service and its employees to pre-fund 75 years of health benefit obligations in 10 years for all current and future employees/retirees. No other federal agency and no private business are required by law to do this. At the same time, Congress is refusing to allow the Postal Service to access and use monies in two pension funds that are permanently and significantly overfunded to the tune of \$81.5 billion.

The Postal Service and the National Association of Letter Carriers have supported legislation to provide a permanent and simple fix by allowing the Postal Service and its employees to use the excess money to fully fund the health benefit fund for the past four years. If Congress had passed the legislation the Postal Service would be on solid financial ground today and would have made profits in two of the last four years. How many other businesses could say that? Failing to act, Congress has made the Postal Service the most successful business to be on the brink of insolvency.

With the failure of Congress to act to free up the \$81.5 billion that belongs to the Postal Service and its employees, the Postal Service is taking drastic steps. However, it is not accurate to say that the Postal Service is "no longer contributing to its employee's pension fund." The Postal Service has stopped paying its employer portion into one of the two pension funds that is overfunded by \$6.5 billion. All other contributions are being made into the two pension funds.

Another step the Postal Service is taking is closing post office stations in cities. Note that it is not only the cities, such as Glens Falls, Schenectady and Albany that are at risk of and being affected with closures. In this region, Keene and Keene Valley are also affected, for example. If the residents of the Glens Falls area are unhappy about what is happening to their local post offices, then I strongly urge you to contact U.S. Rep. Gibson's office to ask him for help. Ask him to support fixing the Postal Service. Rep. Gibson is only one of five of 28 members of the New York State House of Representatives delegation who has not supported releasing the money that belongs to the Postal Service and its employees. Continued failure to act will most likely mean further unnecessary contraction in postal services in the Glens Falls area.

The United States Postal Service is indisputably the most efficient postal service in the entire world. The Postal Service has the confidence of 83 percent of all Americans. It generates \$65 billion in sales annually, serving as a hub of a \$1.3 trillion mailing industry that includes paper manufacturers, magazines, shippers, financial service providers, direct mailers and merchants of all kinds. This industry employs some 7.5 million Americans. Millions of American citizens and businesses

depend on mail delivery six days each week. In fact, the only way we can get our prescription drugs by mail, according to statute, is if the Postal Service delivers six days a week.

While the industry is changing, we are not obsolete as this editorial suggests.

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## **6. Wide Support For Post Office Banking Services**

15 July 2011 - Hellmail Postal News

The Post Bank Coalition yesterday launched a report outlining how a publicly owned Post Bank could revitalise the post office network and bring trusted banking services to businesses and communities across the UK.

With the funding for the post office network unclear and the potential for more post office closures looming, the future of the country's post offices and the sub-postmasters that run them is uncertain.

The first comprehensive critique of the government's report Securing the Post Office in the Digital Age, the Post Bank Coalition outlines areas where Government policy is failing, including:

- \* 240 sub-post offices closed in the eighteen months between April 2009 and October 2010 outside of any programme of compensated closures
- \* The Bank of Ireland partnership has failed to deliver current or children's accounts or business banking services or to pay a single dividend to the Post Office
- \* The effect of a post office closure on the turnover of small and medium businesses within half a mile would be around £270,000 loss p/a for the local economy.

The report is being launched at a Parliamentary roundtable event at 9am Thursday 14th July hosted by Nia Griffith MP with speakers from Unite and the Federation of Small Businesses, and attendees from the Post Office Advisory Group and MPs involved with the Postal Services Act.

The Post Bank Coalition argue in the report, Sorted!: Revitalising the Post Office through local banking:

- \* that the services offered by the Post Office need to be expanded if it is to meet the needs of small businesses and communities and if the network is to survive;
- \* that that the current joint venture with the Bank of Ireland is no longer fit for purpose and that there needs to be a new model for banking services at the Post Office;

\* that a publicly owned Post Bank in the UK – mirroring those seen in a number of other countries – would support the network and bring much needed diversity to the financial sector.

\* that without a Post Bank the network faces a long decline leading to the loss of a cherished public institution and that a significant opportunity to create a socially useful bank will be lost.

CWU general secretary Billy Hayes said: “Post Bank offers an opportunity to solve two major issues facing the country – saving our post office network and bringing trusted banking to communities everywhere. This is a gift to the government, an all-round good news story and an initiative which would bring real, measurable positive change to Post Office staff who are fearing for their jobs and to businesses and communities struggling to find suitable local banking. We urge the government to embrace Post Bank and take measures to make it a reality.”

Clive Davenport, Trade and Industry Chairman, Federation of Small Businesses, said:

“Following the crisis in the banking sector and with the demise of the Post Office Network, we have long been saying that creating a Post Bank is the perfect opportunity to help tackle these. We know from our research that small businesses rely on their local Post Office to not only send and receive parcels, but to make payments as well. We also know that banks still aren’t lending to small firms. The UK banking system really needs more competition to give small firms a better chance of securing a good deal. Creating a Post Bank will not only help to do this, but it will also help keep the thousands of sub-postmasters’ businesses alive.”

Alice Barnard, Chief Executive of the Countryside Alliance, said: “In the wake of the banking crisis, people living in the countryside have increasingly come to rely on their local Post Office. Yet after seven years of the partnership between Post Office Ltd and the Bank of Ireland, there is still no provision of current accounts, children’s savings accounts or business accounts. The Countryside Alliance want to see Post Offices given the services to remain the social and economic centres of rural Britain. We are proud to be supporting the Post Bank proposal alongside organisations like the Communication Workers Union and the Federation of Small Businesses, and we call on the Government to recognise that backing the creation of a Post Bank will be a massive boost to both the rural economy and to the future of the Post Office network.”

Dot Gibson, National Pensioners Convention general secretary said: "Post Offices remain a vital part of our local communities and a lifeline to millions of pensioners, but they urgently need investment and expansion if they are to survive. Creating a real people's bank at the Post Office would act as a positive alternative to the stale banking industry that has caused so much financial damage. We need bank we can trust and that's the Post Bank."

Ian Tonks, Unite national officer said: “Communities and small businesses are crying out for an ethical, and local bank based on the post office network. This is the only real answer to making the post office network truly sustainable. Failure by government to respond positively will be an abrogation of its responsibility and another signal of its lack of commitment to the real society”

Stewart Wallis, director of nef, said: "UK plc needs an urgent shot in the arm. We believe that the Post Bank can deliver this much needed boost to businesses that the mainstream banking sector has failed time and again. It will also provide people with a trusted institution to bank with, open to everyone. Politicians of all parties have voiced their enthusiasm for the Post Bank, and the idea resonates with the public. Now let's make it happen."

Steve Lawson, editor for Hellmail Postal News said: "We've been calling for better access to banking facilities via post offices for some years now. Those in rural areas are often stuck with access via large supermarkets, often some miles away which means additional costs in terms of fuel. A local and basic banking service which everyone can use, regardless of their financial status, would be a positive step forwards in what are difficult economic times and help strengthen the role of post offices."

Andy Burrows, Head Of Post Offices & Essential Community Services at Consumer Focus, said: "A Post Bank could offer consumers a triple bonus. It could help put banking services back into the heart of communities where local banks have closed and offer a trusted alternative. Despite local closures there are still around as many post offices as there are banks and building society branches combined.

"The extra revenue it could generate could also help guarantee a more secure future for the other essential services provided by the Post Office, which local communities rely on – such as access to cash, benefits and government services. More needs to be done before the Post Office network can offer wide-scale banking services and more Government services need to be available if the network is to thrive."

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