

Issue 13

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CONTENTS

Postal Service Announces New Delivery Schedule (February 6, 2013 Special Update)

Information for Contract Delivery Service Suppliers (February 6, 2013 Special Update)

National Customer Support Center Announces New Location

Blue and Brown Make Green

Cash Back for Old Electronic Devices

Brighter Perspective for USPS

USPS Suppliers,

You are receiving this newsletter from the Postal Service as you have registered your interest to do business with the Postal Service or your e-mail is on file as a point of contact for a current or past contract. Please share this newsletter with your colleagues within your company as it contains important supplier related information about the Postal Service.

As part of our communications plan to keep our suppliers fully informed of all major initiatives affecting them, please see the recently released information from the U.S. Postal Service.

Thank you to all of our suppliers that helped to keep the mail moving through several natural disasters this past year, including the western wildfires, the summer derecho, and Hurricane Sandy, as well as for your products and services that helped to make this holiday season a successful one for the Postal Service!

This issue is simultaneously being sent to USPS Supply Management employees for their information.

Thank you!

Postal Service Announces New Delivery Schedule

Six Days of Package Delivery, Five Days of Mail Delivery Begins August 2013

Click on <u>http://about.usps.com/news/national-releases/2013/pr13_019.htm</u> for the complete USPS News Release announcing the new USPS delivery schedule.

Click on <u>http://about.usps.com/news/national-releases/2013/fiveday-factsheet.pdf</u> for a fact sheet summary.

Click <u>http://about.usps.com/news/national-releases/2013/maildeliveryschedulechange-020613.ppt</u> for additional information regarding the new USPS delivery schedule.

RETURN TO TOP

Information for Contract Delivery Service Suppliers

Change from 6-Day to 5-Day Delivery

As recently reported in the news, the U.S. Postal Service is planning to transition to a new delivery schedule that includes package delivery Monday through Saturday and mail delivery Monday through Friday. Post Office Box service will not be affected by this change and will continue to be serviced Monday through Saturday.

This transition will begin the week of August 5, 2013. The need to change the service model is a result of the rapid decline in mail volume and there is clearly insufficient volume to sustain six days of mail delivery.

The new business model may affect the mail delivery service that you provide to the Postal Service. If your contract is affected, the change will be addressed in accordance with the *Changes (Transportation Clause) Clause B-67* in the terms and conditions of your contract. As the specific change to the route(s) is determined, the Administrative Official (Postmaster) will communicate the change to the supplier and it will be memorialized through a contract modification. The contract modification will be processed in accordance with the terms of your contract through your contracting specialist.

If you are notified that your route is affected and have specific questions concerning your contract, submit them via email to your contracting officer:

Central TCMT (Denver) send email to <u>TCMTCentral@usps.gov</u> Eastern TCMT (Largo) send email to <u>TCMTEastern@usps.gov</u> Northern TCMT (Windsor) send email to <u>TCMTNorthern@usps.gov</u> Southern TCMT (Memphis) send email to <u>TCMTSouthern@usps.gov</u> Western TCMT (Tacoma) send email to <u>TCMTWestern@usps.gov</u>

Be sure to include your HCR Contract Number in the subject line of the email.

RETURN TO TOP

On the Move National Customer Support Center Announces New Location



The National Customer Support Center (NCSC) has recently moved. Effective Dec. 1, the new address will be:

NATIONAL CUSTOMER SUPPORT CENTER UNITED STATES POSTAL SERVICE 225 N HUMPHREYS BLVD STE 501 MEMPHIS TN 38188-1001

The NCSC works closely with mailers, suppliers and postal groups to improve address quality across the mailing industry. The USPS office of Address Management is also located at the NCSC. Telephone numbers for all NCSC personnel and program support groups will remain the same.

RETURN TO TOP

Blue and Brown Make Green

Public-Private Partnership Helps Customers, Environment, Bottom Line



PMG Pat Donahoe and UPS CEO Scott Davis

In a video address to a global audience, U.S. Postal Service Postmaster General and Chief Executive Officer Patrick Donahoe, and United Parcel Service (UPS) Chairman and CEO Scott Davis announced a unique partnership designed to offer better service to customers, reduce greenhouse gas emissions and optimize operational efficiencies.

"We've named our partnership 'Blue and Brown Make Green," said Donahoe. "By working together, the Postal Service and UPS are able to reduce costs, serve our customers better and achieve sustainability goals, such as reducing our carbon footprints."

"It certainly describes what the Postal Service and UPS have been working on together," said Davis. "The world is changing dramatically as we become a more global economy. And, it takes big ideas and bold moves to keep up. This collaboration to reduce the carbon footprint of our respective supply chains is the sustainability wave of the future," Davis added.

The Postal Service is the world's largest mail service, delivering nearly 40 percent of the world's mail to more than 151 million addresses in America. UPS is the world's largest package delivery company, and is one of the leading global providers of specialized

transportation and logistics services. In 2011, UPS delivered more than four billion packages and documents to more than 220 countries and territories.

In the <u>http://youtu.be/IM31n2Fw3qM</u> (Note – those using USPS computers should click <u>http://sustainability.ipc.be/en/best-practice-cases/USPS.aspx</u> to access the "Blue and Brown Make Green" video), Donahoe and Davis discuss their efforts to improve service to their customers, reduce costs and improve the environment. While USPS and UPS are keen competitors, they also are each other's customers.

USPS delivers many of UPS's packages through its "last mile" network which is leveraged to provide services including Parcel Select* and Parcel Return, the latter, a convenient service for UPS customers to drop returnable merchandise at Post Offices for UPS retrieval and return to retailers. Last year, UPS carried millions of pounds of USPS letter and package mail across the country and around the world on its extensive air and ground transportation networks.

"Our working relationship with UPS supports the Postal Service's goal to deliver mail at the lowest cost with minimal impact on the environment," added Donahoe. "It's a great template for how posts and private enterprises can work together to better serve customers, the planet and the bottom line. We hope our partnership can serve as a model for others to work together in new ways, whether they are competitors, collaborators, customers or all the above."

Donahoe and Davis concurred that by seeking opportunities to be cost effective and create a cleaner, more sustainable environment together, USPS and UPS can deliver a better and greener future for generations to come.

The Postal Service participates in the International Post Corporation's (see <u>http://www.ipc.be/</u>) Environmental Measurement and Monitoring System at <u>http://sustainability.ipc.be/en/introduction.aspx</u> (*EMMS*), the global postal industry's program to reduce its carbon footprint 20 percent by 2020 compared to 2008. UPS is providing sustainability data to USPS for that program.

RETURN TO TOP

Cash Back for Old Electronic Devices

Recycling Program Expands



There's no reason to toss out that old cell phone, PDA, digital camera or other small electronic device. Thanks to the U.S. Postal Service — which has expanded the availability of a recycling program to over 3,000 retail locations — customers can trade in their old electronic gadgets for cash.

"The U.S. Postal Service is making recycling your old cell

phone quicker and easier than ever before," said Gary Reblin, vice president of Domestic Products. "We've expanded this recycling program to offer more consumers the opportunity

to protect the environment and put some money in their pocket at the same time and with USPS, the shipping is free."

The Postal Service is working with MaxBack, an electronics recycling company, which specializes in reducing waste that ends up in landfills by either buying back or simply recycling unwanted electronics. Visit <u>www.usps.com/ship/recycle-through-usps.htm</u> and follow five easy steps to find out how much your old cell phone is worth and to see if your items qualify for instant cash:

- 1. Search for your cell phone or electronic device
- 2. Receive an instant quote and accept it
- 3. MaxBeck will send you a USPS-approved mailing container
- 4. Mail it free via USPS Priority Mail
- 5. Once MaxBack receives your item, it will be inspected and your payment processed

Even if your old electronic device isn't worth a dime, free recycling mail-back envelopes are available at participating USPS locations, making it easy for customers to ship their used small electronics (cell phones, PDAs, MP3 players, digital cameras or used ink jet cartridges).

Cell phones and electronics that are damaged and unusable are remanufactured or recycled by MaxBack's parent company Environmental Reclamation Services (ERS), a zero-landfill, reverse-logistics company owned by Clover Technologies Group, Inc. ERS has been in business in Erie, PA for two decades and is a leading recycler of printer cartridges and small electronics.

The Postal Service has won numerous environmental honors, including the U.S. Environmental Protection Agency's (EPA) WasteWise Partner of the Year award in 2010 and 2011, the EPA's National Partnership for Environmental Priorities award in 2011 and the Climate Registry Gold award in 2011.

"The U.S. Postal Service has a strong commitment to be a sustainability leader," said USPS Chief Sustainability Officer Thomas G. Day. "Our network infrastructure and logistical capability to deliver to every residence and business in the U.S. make the Postal Service a logical partner with a premiere recycler like MaxBack.com to maximize this green initiative."

RETURN TO TOP

Brighter Perspective for USPS

Financial Numbers Show Reason for Optimism

In remarks from early December, USPS Chief Financial Officer Joe Corbett discussed the fiscal year (FY) \$15.9 billion loss with financial figures that demonstrate how USPS is taking the necessary steps to become profitable once again.

Corbett points to a newspaper headline he believes sums up FY 2012: "The Postal Service plays a bad hand, well." The "bad hand" refers to the "absence of passage of comprehensive legislation" that would help USPS address \$13.5 billion in expenses currently outside its

control — payments to prefund retiree health benefits and non-cash payments to workers' compensation.

When the \$13.5 billion in payments is subtracted from the FY 2012 loss, the resulting \$2.4 billion loss actually represents an 11 percent improvement over 2011.

Corbett notes the improvement is due to significant accomplishments in areas where the Postal Service does exercise control. The accomplishments include:

- Record package growth Revenue up 8.7 percent from the previous year.
- Record sales of election and political mail \$500 million of revenue (in 2012 and through the November election).
- Productivity improvements Up 1 percent while total work hours decreased by 27 million hours.

Corbett says legislative change still is necessary, but in the meantime the Postal Service continues doing everything it can to reach firm financial footing.

"We're chipping away at losses and continuing to improve our profitability," says Corbett who added, "Thanks for all you do for the Postal Service."

RETURN TO TOP

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*A self-supporting government enterprise, the U.S. Postal Service is the only delivery service that reaches every address in the nation — 151 million residences, businesses and Post Office[™] Boxes. The Postal Service[™] receives no tax dollars for operating expenses, and relies on the sale of postage, products and services to fund its operations. With 32,000 retail locations and the most frequently visited website in the federal government, <u>www.usps.com</u>, the Postal Service has annual revenue of more than \$65 billion and delivers nearly 40 percent of the world's mail. If it were a private sector company, the U.S. Postal Service number one in overall service performance of the posts in the top 20 wealthiest nations in the world. *Black Enterprise* and *Hispanic Business* magazines ranked the Postal Service as a leader in workforce diversity. The Postal Service has been named the Most Trusted Government Agency for seven years and the fourth Most Trusted Business in the nation by the Ponemon Institute.

ARE YOU REGISTERED TO DO BUSINESS WITH THE U.S. POSTAL SERVICE?	CONTACT US!	DID YOU
More than 9,500 suppliers have registered since our launch of the Supplier Registration site in July 2009. All suppliers interested in doing business with the U.S. Postal Service should register their company in the Postal Service Supplier Registration system. For more information, please go to <u>http://about.usps.com/suppliers/becoming/registration.htm</u> .	We value your questions and feedback to this newsletter. Please feel free to reply to this message with your feedback or mail to: U.S. Postal Service Supply Management Communications 475 L'Enfant Plaza, SW, Room 1100 Washington, DC 20260-6201	1.2 millio people vi <i>usps.co</i> each da
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