

POSTAL NEWS

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1. USPS Cuts Post Office Hours, Upsetting Customers

Tuesday, February 24, 2009 – updated: 5:40 pm EST February 24, 2009

CHARLOTTE, N.C. -- The tough economy is affecting the U.S. Postal Service, making for record losses.

Last year, the USPS lost \$2.8 billion. Currently, mail volume is down more than 9 percent, and with no economic recovery expected in 2009, the postal service projects volume for the year will be down by 12 to 15 billion pieces of mail.

That's why across the nation post offices have to find many ways to cut back, and so far they've avoided layoffs. But the cuts are affecting workers and causing more inconvenience for USPS customers.

Starting Monday, all post offices will close at 5 p.m. Many post offices in Charlotte keep late hours, some open until 10 p.m., and employees and customers alike said the change be a real inconvenience.

James Cihlar uses the post office on Express Drive in west Charlotte, and he said he relies on the convenience of the late hours.

"For me, I need it to be accessible and convenient," he said.

Some customers, who usually go after work, said they'll have to change their daytime schedule just to get to the post office by 5 p.m.

"I'd have to plan more time to do it. I can't just do it on my way home," said Drew Schuman.

"It will be an inconvenience for me because of my work schedule and working two jobs," Cihlar said.

USPS spokeswoman Enola Rice released a written statement that said, "We are making changes in order to remain viable. We continuously evaluate work hours, delivery routes and retail hours of operation."

Leroy Moyer with the American Postal Workers Union said cutting post office hours will not save money on the staffing side.

"This does not make sense," he said. "We're doing a disservice to our customers here in Charlotte by reducing these hours across the board. All but five clerks associated with all these offices will remain at the offices they're at and have their hours adjusted."

The post office on Express Drive near the airport makes more than \$1,100 between the hours of 5 and 10 p.m. On Monday when it closes at 5 p.m., employees said that's

revenue it'll miss out on, revenue that adds up to more than \$250,000 for an entire year just for the Express Drive location.

"But it's just not the revenue. There are certain things in this country people expect. They expect their mail to be on time. They expect to mail a package and they expect to go to a post office when it should be open," Moyer said.

Customers said they'll try coping with the shortened hours by taking care of some postal needs online, but it's that face to face interaction that they're used to and don't want to do without.

Earlier this year, the postmaster general talked about the idea of cutting back the number of days for delivery from six to five. But Rice said that is considered a last resort and that move would have to be approved by Congress.

Also, the price of stamps will go up 2 cents, to 44 cents, in May.

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2. Rare but possible:

Ads on postal boxes

Looking at two campaigns that got the okay in recent years

By Diego Vasquez

Feb 24, 2009

These days ads are on everything, but the one place you'd never expect to see one is on those blue street corner postal boxes where folks mail letters.

But in fact those blue boxes have been the venue for two recent campaigns, and both were quite imaginative in how the creative incorporated the shape of the boxes.

One, for Niagara Falls, was of water flowing down the box as if it were flowing from the falls. For the other, a campaign celebrating the 30th anniversary of "Star Wars," the boxes were made up to look like the robot R2D2.

Indeed, mail boxes would seem the ideal ad venue, located as they are on street corners all across America, some 280,000 of them. The challenge is in getting the U.S. Postal Service to greenlight a campaign, and it rarely does so. It prefers its boxes to stand out for people looking to mail a letter.

The Niagara Falls campaign got the go-ahead, thinks Frank Anselmo, because it was the creation of his class at the School of Visual Arts in New York.

Anselmo, creative director at New York's KNARF, also teaches a course at the school titled "Unconventional Advertising" in which students are challenged to come up with unique ad campaigns. When he thinks the idea is good enough, he'll go out and see if he can sell it.

The Niagara Falls campaign was born when a student came to him with the idea for promoting Niagara Falls tourism on mail boxes, using the shape of the medium to convey the image of a waterfall.

“The assignment was to look for new locations for advertising but without being obnoxious,” Anselmo says. “And the boxes seemed like a good idea. They’re all over the place. But I thought you couldn’t use them because they’re government property.” Even so, Anselmo took the idea to the Niagara USA Chamber, which loved it. He then stopped by postal headquarters in New York to pitch it there, and they bought into it as well.

“I guess because of the student tie they let us use them,” he says of the boxes. “We just had to make sure the paper the ads were printed on wouldn’t leave any residue.” The creative, which ran down the back of the boxes, was an actual photo of Niagara Falls, with the top of the falls where it begins to descend right where the box curves. At the bottom was the tagline “Visit Niagara Falls” and the NiagaraChamber.org web address. The creative was placed on 20 to 25 boxes in New York in spring of last year. That made it a pretty limited campaign. “If we tried to do this nationally it might be more of a problem, but because we did it in a way that doesn’t obstruct people using the post boxes, it was fine,” says Anselmo.

The Star Wars campaign, which ran in 2007, was collaboration between the postal service and Lucasfilms, which produced the movie, and it was a much larger campaign by comparison, running on 1,000 boxes nationwide.

But as the postal service explains it, the campaign was less a commercial venture than a one-off promotion for the service itself, akin to its issuing commemorative stamps. But instead of a special R2D2 stamp, boxes were tricked out to the robot’s likeness. Those boxes directed folks to the special web site USPSJediMaster.com.

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3. Credit card direct mail offer volume decline sees exception only with airlines, Wal-Mart

Chantal Todé

February 23 2009

Direct mail volume in the financial services sector is down dramatically, as many of the bigger companies walk away from once-thriving businesses that are now deemed too risky because of the economy, such as offers of credit to consumers with less than stellar credit histories. Direct mail credit offers haven’t disappeared completely, however, as both big financial firms and some more marginal institutions continue to find opportunities to target consumers.

Financial services direct mail volume for 2008 fell 25% from 2007 levels, according to a recent report from Mintel Comperemedia.

“The decline is influenced by financial services companies migrating to lower cost acquisition channels such as the Internet, accentuated by the fact that there’s an enhanced credit risk in every offer,” says Randy Watson, industry executive for financial services, at Acxiom. He expects a portion of the decline will be long-term because of the lower cost channels. However, “when the credit markets turn, many firms are in the position to be back in the mail quickly,” which will bring mail volumes back up, he says.

In the meantime — and no one really knows how long that is — financial services companies are adjusting to the new economy by targeting fewer people and changing their messaging.

The big growth area in terms of direct mail volume for 2008 was reverse mortgages, with a 7% increase in new customer acquisition mailings, a 37% increase in reverse mortgage offers to existing customers, and a 67% increase in informational mailings to existing customers, according to Mintel.

While the overall volume for reverse mortgages is modest, “it's interesting to see them being marketed in this economy as people need cash,” says Steve Clifford, VP, financial services at Mintel, via e-mail.

Offers around reward or rebate programs are also on the rise, says Andrew Davidson, VP of competitive tracking services at Synovate. “This is a direct result of more offers going to households with very high credit scores,” and issuers pulling back from those with lower credit scores, he explains.

In the fourth quarter of 2008, Synovate reports 72% of credit card offers were reward or rebate offers, up from 63% in the fourth quarter of 2007. This is a result of an increase in mailings for co-branded airline cards, such as the Citi/AAdvantage American Express card and the Chase United Mileage Plus card.

“In November, the big issuers basically pulled back from mailing everything else, and the only offer they mailed was for co-branded airline cards,” Davidson reports.

“There's still direct mail credit card offers going out, it just seems that the mass market, pre-approved volume has really fallen off,” Watson adds. Instead, card issuers mail to a smaller pool of names, massaging a bigger pool of data to come up with those names.

“Companies are pulling files from various sources and running the data through scores and models to qualify names,” says Davidson. “They have to sift through more data and more information to make more targeted offers.”

On the sidelines of the major financial institutions are credit unions, many of which report substantial increase in mortgage loan volume, according to the American Credit Union Mortgage Association (ACUMA).

Credit unions have “consistently engaged in direct mail marketing for years,” said Bob Dursa, president of the ACUMA. While that volume hasn't necessarily increased of late, “credit union members are taking them more seriously now that several banks have gone out of business, and they're looking for institutions that they can trust,” Dursa said.

While mainstream financial institutions are giving many consumers the cold shoulder, retail giant Wal-Mart is stepping up its efforts to offer financial services to lower-income American consumers.

Last week, Wal-Mart said it will lower the purchase price of its reloadable, pre-paid Visa debit card, the Wal-Mart MoneyCard, from \$9 to \$3. The card has a \$3 charge for reloads and a \$3 monthly fee. The retailer also is making financial information and experts available to customers.

4. Correos Committed To Improving Environment

21 February 2009 by Franz Groter - © Hellmail.co.uk

The Spanish Post Office has launched a new stamp representing civic values and the environment.

Correos has taken environmental issues to its heart in more recent years, committing a considerable portion of its transport budget to low-emission or electric vehicles, and setting a benchmark for postal operators right across Europe as well as improving its quality of service through almost wholesale introduction of new technology.

The latest stamp is the thirteenth in a series, marking important aspects of society such as the donation of blood and organs; the fight against people trafficking, racism, the equality of sexes, the saving of water and the fight against drugs, amongst others.

The Minister of Environmental, Rural and Marine affairs, Thorny Elena, the President of the Spanish Post Office, Sixto Heredia, and the Spanish coordinator of the program of United Nations for the environment, Ricardo Friar, launched the new stamp last week.

The stamp is a reminder that climatic change and family life are important but it also reaffirms Spain's determination to do all it can to improve reduce its impact on the environment.

Promoted by professor Wangari Maathai, Nobel prize of La Paz, and organized by the Program of the United Nations for the Environment (UNEP), reinforces a campaign to 'plant for the Planet' all over the world, with the aim to plant 7,000 million trees for the end of 2009, to compensate the CO2 emissions and to fight the climatic change.

In Spain the concept has been very well recieved with positive steps to improve the environment with tree planting on a grand scale. Correos already sells boxes and ecological packing with a commitment to repopulate forests in different Spanish Communities with around 20,000 trees in Malaga, Asturias, Segovia and Caceres - almost 350,000. Others tree planting initiatives are planned for Gran Canaria.

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