

Global unions share postal innovations

NALC co-hosts worldwide forum on new products and services

The Canadian Union of Postal Workers' Second National Vice President Lynn Bue (below) and NALC president Fredric Rolando (bottom) served as hosts for the international forum.



On the same day that Postmaster General Patrick Donahoe testified before a Senate committee about his solution to the postal financial crisis—slashing 120,000 jobs and reducing service toward a goal of a diminished Postal Service—NALC President Fredric Rolando kicked off a forum on postal innovation that featured postal leaders from every corner of the world sharing ideas on how postal systems can continue to evolve to remain vital in an increasingly digital age.

The forum, co-hosted by NALC and the Canadian Union of Postal Workers (CUPW), saw presentations on new technology and new products that postal systems in countries such as Switzerland, Brazil and even the United States are developing to revitalize their postal networks.

“This forum comes at a very difficult time for the global postal industry,” NALC President Fredric Rolando said,

opening the forum. “We are in the midst of a ‘perfect storm’ as political, economic and technological factors have caused traditional mail volume to decline precipitously all over the world.”

Rolando pointed to the financial crisis that still grips much of the world’s economies, the wave of privatization and deregulation that has opened the postal sectors to new competitors and the advances of the Internet that threaten many postal services.

“We organized this forum in the belief that post offices and other postal operators cannot downsize themselves to health; they must also have a growth strategy aimed at boosting revenues,” Rolando said. “Finding new uses of the mail—and new uses of our networks—is crucial to a viable future for our employers and for the job security of our members.”

The forum was held on Sept. 6 in Washington, DC, a day before the UNI Global Union’s Post and Logistics’ global conference got under way. The day-long event was divided into three panels, representing innovations in core postal business, innovative new postal products and new postal financial services.

A summary of each is below:

The first panel included two ideas that have emerged from the United States. The first is vote-by-mail, which has had great success in Oregon where citizens can only vote by mail. Michael Ravnitzky, a lawyer for Postal Regulatory Commission Chairman Ruth Goldway, reviewed the second—his ideas on positioning scientific sensors on USPS vehicles to help with mapping, recognizing weather systems and monitoring nuclear radiation and/or chemical spills.

A representative from CUPW explained the use of hybrid jobs in Canada Post, where the union has come to



agreement with Canada Post to create flexible job positions, like those used in remote locations where an employee might sort mail in the morning and work as a clerk in the afternoon. He also pointed to two agreements the CUPW came to with its employer to create joint committees of representatives from both the union and management, where product ideas that both sides agree on can be quickly implemented, granting the employer speed and flexibility to deal with new conditions.

The second panel, on new postal services, included a high-tech development from the Universal Postal Union (UPU), which has been working on the creation of a dot-post (.post) extension for Internet postal services. The dot-post suffix, which would compare to a dot-com or a dot-org domain, will be organized to create a trustworthy online location for the world's postal systems, giving the public a level of trust in their online transactions.

Royal Mail in Britain has experimented with the idea of timed deliveries, where a delivery is guaranteed to arrive within 15 minutes before or after the deadline.

Swiss Post is working toward merging the physical world with the digital by creating a virtual mailbox of the future. The sending customer will have the option of sending a normal physical mail piece or an e-mail, which the receiving customer can opt to be printed out at a sorting facility and delivered like a normal letter. Additionally, the receiving customer can opt to have the postal service scan the physical mail and have it delivered as an e-mail. The receiving customer has a number of options on where to receive the e-mail, whether to his or her smart phone or to his/her computer via a secure personalized flash drive, which

acts as the recipient's digital ID.

NALC made a presentation on the idea of "co-opetition" (cooperative competition), which in the U.S. comes in the form of USPS taking on the role of delivering the last mile for FedEx and UPS.

Though these companies are competitors, all find benefit in using the strengths and resources unique to each, thereby giving each a piece of the delivery pie.

The final panel dealt with a service that the U.S. Postal Service hasn't legislatively been allowed to explore for decades—banking. Post offices in many countries are synonymous with banks, and the final panel looked at how three regions of the world—Brazil, Japan and parts of Africa—are making the most of these services. They might also hold promise for USPS, as there has been talk of allowing the Postal Service to explore other services, including banking, as part of future legislative action.

Brazil presents an interesting case, as instead of setting up its own system, it partnered with Bradesco, a private bank, to provide services within its facilities. The initial 10-year contract was valued at approximately \$125 million. However, the operation was such a success over that decade that when the next contract came up this year, a five-year contract was awarded for \$1.5 billion.

Japan's postal banking system has been in operation since 1875 and is trusted by the Japanese citizens, creating



Top: NALC Assistant to the President for Special Projects Pam Donato talks about some of the innovative ideas attendees put forward during the forum (seen in the "wordle" behind her).

Above: The delegate from Brazil speaks about his country's postal banking system.



The delegates took the opportunity to show their solidarity by supporting the International Transport Workers' Federation (below) and by joining a rally for the Communication Workers of America against Verizon Wireless (left).



the world's largest holder of deposits, whose profits were used for public-works projects, including building schools, roads and hospitals. Unsurprisingly, because the bank was so successful, the Japanese government decided to privatize the bank in 2003—a decision the current government is trying to reverse.

The final presentation came from the Pan African Postal Union (PAPU), where 44 countries have come together to promote a single postal network for delivery and financial services. One of the largest services it provides is the transfer of funds from people outside of Africa to citizens on the continent, a \$54 billion industry in 2010. A reliable system, which would allow the safe remittance of funds to the rural areas of Africa, promises to be a tremendous area of growth for PAPU countries.

workers in Latin America to the impact Japan's 2011 tsunami had on its postal workers.

One of the major themes throughout the week was how the worldwide economic downturn is continuing to affect postal services. As is well known, in the United States, mail volume is a leading indicator for the economy because of its large use of mail by the housing and financial industries. Tellingly, although both Europe and North America have struggled to rebound from the Great Recession, economic growth in Asia, Latin America and in emerging market nations in general has recovered more rapidly. This two-speed recovery is reflected in UPU's data on the postal industry, where mail volumes in developing/emerging economies declined less and have recovered faster than in industrialized countries.

There's also a belief that the downturn has accelerated the digitalization of postal services, such as online bill payment, across the globe. The attendees were eager to discuss the innovative solutions that other nations are using to increase revenues, and asked UNI leadership to hold more discussions on innovation and technological advances at future meetings.

Attendees left Washington energized with new ideas and new resources for moving forward. But, as Lynn Bue, CUPW's second national vice president, said in summing up the day-long forum, "No one-size solution will fit all countries." ☒

The rest of the week was devoted to UNI Post and Logistics' global conference, which looked at all the issues affecting postal systems and the unions that represent their employees worldwide. Topics ranged from the attempts to unionize DHL

Representatives of the Japan Postal Group Union thank NALC Executive Vice President Timothy O'Malley for our union's assistance during the recovery from the earthquake and tsunami that ravaged Japan.

