

Mail Security Preparation Workgroup Continues to Develop New Solutions

The U. S. Postal Service's Mail Security Preparation Workgroup (including Marjann Caldwell of QWL Postal Affairs) has been meeting weekly with representatives of the mailing industry in the wake of recent anthrax-contaminated mail.

In a meeting on December 4, the Postal Service reviewed its progress in sanitizing mail from the anthrax-contaminated facilities in Washington, DC and Trenton, New Jersey. Mail from these facilities is being irradiated in stages in Lima, Ohio and Bridgeport, New Jersey, starting with First Class letters. This stage has been completed, and processing of flats has started. Parcel mail will be irradiated last, and is

scheduled to start in a couple of weeks. Completion dates have not been determined for flats and parcels. All Standard and Periodical mail has been left in the contaminated facilities, and the mailer has the option of having it returned or destroyed.

For the foreseeable future, the Postal Service will be irradiating mail destined for the government agency zip codes, 202-205. The zip codes targeted for irradiation could change based on risk factors determined by law enforcement officials. If a change occurs, the public will be notified by the Postal Service in advance. Tom Day, Vice President of Engineering for the US Postal Service, said that a national program to irradiate all

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Seasons Greetings
From Quebecor World Logistics

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Settlement Discussions Continue

On Friday, December 14, 2001, the Postal Service issued a revised settlement agreement for review by intervenors of the R01-1 Postal Rate Case. Reportedly, December 28 is the critical response date. In the revised proposal, the Postal Service stuck to their guns and insisted on a June 2, 2002 implementation date. Without settlement, mailers fear that the Postal Service will update the case to include much higher increases. While most parties are in favor of settling, there are still some outstanding issues

that mailers would like to resolve prior to signing on. As an example, the Postal Service makes no assurances as to the date of the next rate case filing. At a minimum, mailers would like a commitment, or even a statement of intent, relative to the timing of the next rate case.

By advancing the rate implementation, the Postal Service will generate an additional \$500 million in additional revenue each month. At this point, it looks as though the Postal Service will likely succeed in these efforts. ■

Mail Security (cont.)

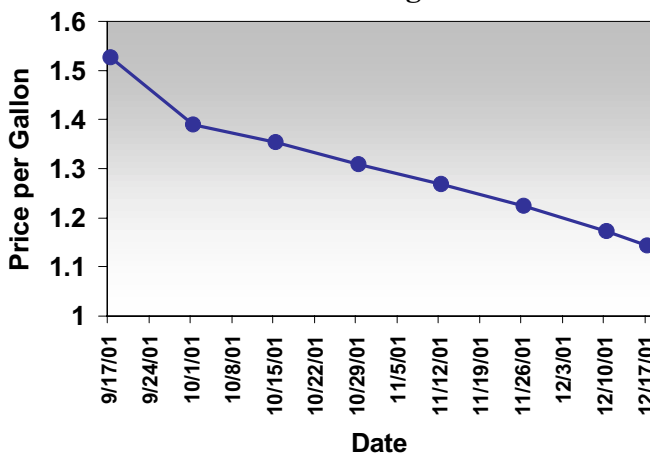
of the mail is not economically feasible and would take years to implement. The Postal Service is focusing on prevention and detection rather than nationwide irradiation. The prevention effort includes retrofitting its automated sorting equipment with vacuums and filters and working with the Department of Defense to develop appropriate detection devices.

To further ensure the security of the mail, the workgroup has issued a list of Best Practices and is working on defining an "Identified Mailer" program. The goal of this program is to make the mail traceable to its source and ensure that it has been prepared in a secure manner by known individuals. To date, the

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Diesel Prices Continue to Drop

DOE National Average Diesel Prices



Questions/Comments?
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Mail Security (cont.)

suggested criteria would include, among other items, that a mailer pay postage using a permit imprint, meter postage, PC postage, pre-canceled stamps or that senders of the mail present it in a face-to-face transaction. Future requirements also being discussed include the use of "intelligent" barcodes or other new technology that would identify the sender of a piece of mail, as well as its content, where it has been in the postal system and its

destination.

Having the "Identified Mailer" program in place will allow the Postal Service to focus its detection and prevention efforts on the anonymous Collection mail which is a relatively small portion of overall mail volume, but the most difficult portion to secure.

**For more information about mail security issues, contact Marjann Caldwell
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and find additional information about our service offerings, access online tracking and reporting tools, read the latest industry news, find out about upcoming events, access useful postal resources and more.



NEWSSTAND UPDATE...

- Progress continues in the move to a common platform for all newsstand processing. Effective since the 12/11/01 weekly newsstand pool cycle, the Lincoln facility has been moved to the HP platform. The data cleansing, document preparation, and load planning are now performed at QWL Effingham, Lincoln volume has now been incorporated into the Midwest pool. The Clarksville-Tennessee transition is targeted for implementation in January 2002.
- Newsstand volume remains down due to the continued reduction in advertising pages. Some in the magazine industry are hoping that advertising pages will increase in early 2002. Others feel they may not see improvement until mid-year.

Let's look forward to additional advertising pages, a growth in volume, and an increase in newsstand sales in the New Year.

**For more information regarding QWL newsstand distribution, contact:
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