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La Poste Lays Out Plans for Growth

Groupe La Poste has announced its "Ambition 2015" a core strategy, which is based on five main priorities designed to achieve an eight percent operating profit margin in five years.

The key target is to return the group to its former level of profitability. New objectives for the group include a slight rise in revenue to about EUR 22 billion (excluding external growth) and a target eight percent operating profit margin.

Financial development is planned in three phases. In the next 12 to 18 months, the group aims to stop the decline in financial results that it has experienced over the past two years.

From 2012 onwards, La Poste aims to return to pre-economic crisis profit levels. Finally, in 2015, the aim is to achieve the eight percent margin through stable mail profits and higher profits from parcels and banking services.



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(La Poste Lays Out its Plans for Growth, continued)

The first priority of the newly formed limited company is to carry out the four public service missions outlined in the postal law of February 2010: universal postal service; press transport and delivery; access to banking services and the retail network.

The second priority is sustained and responsible business activities that combine revenue growth, cost management, improved operational profitability, partnership development and customer satisfaction.

The final three priorities are quality of service, innovative services and identifying new European markets.

"Ambition 2015" promises that La Poste will maintain its social model, based on no compulsory redundancies, and its focus on sustainable development.

The company forecasts that mail volume will decline by about 30 percent by 2015. Its strategy for mail will be based on offering businesses and consumers "the best combination of paper-based and digital communication". The mail division will complete its modernisation programme by 2012.

The express and parcels division is planned to increase volumes on the back of growth in e-commerce and improving economic conditions. The division will aim to maintain its profit margin "at a high level".

Post office counter services will increasingly be automated allowing staff to focus more on customer advice and service. La Banque Postale aims to extend its range of services for both businesses and consumers.

From 2010 to 2015, La Poste expects to invest about EUR 9 billion in modernisation and business development.

Europe

Deutsche Post DHL Confident of Future

Deutsche Post DHL has stated confidently that it has overcome the economic crisis, expecting to generate higher revenues and increase consolidated net profit this year.

Chief executive Frank Appel, told the company's annual general meeting on April 28 that Deutsche Post DHL's "unique positioning as the world's leading logistics provider and Europe's largest postal company" would enable it to benefit disproportionately from accelerating world economic recovery.

The perceptible rebound in volume in the first months of the year was a clear indication of a strengthening economic upswing, Mr. Appel said.

Giving his outlook for the year, Mr. Appel said Deutsche Post DHL expects a rise in underlying earnings before interest and tax (EBIT) to between EUR 1.6 billion and EUR 1.9 billion.

For the first time, the company's DHL divisions are expected to contribute earnings roughly the same as the mail division. "In future, we are counting on DHL to be the driving force of growth in consolidated net profit," Mr. Appel said.

At the AGM, shareholders endorsed a system of remuneration for the board of management that makes sustainability a key performance target, increasing the focus of management board remuneration on sustainable company growth.

All contracts and contract extensions from August 5, 2009 will place half of each executive's annual performance-based remuneration into a three-year calculation period. Payment after three years will only be made if sustainability targets are reached.

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Itella Tests Mail Delivery Alternatives

Itella has begun a trial of alternative mail delivery methods that will continue until the end of the year.

More than 140 volunteer households and companies are participating in the trial, which combines paper and electronic mail delivery.

Physical mail is being delivered twice a week, while mail arriving at the local retail postal outlet on other days is placed in a PO Box dedicated to the recipient. Consumers and businesses are alerted by text message when mail is placed in their box should they wish to collect it before the next delivery.

At the same time, first and second class letters sent to the trial group are being opened at Itella's secure unit in Helsinki and scanned for electronic display on personal computers via the NetPosti system.

Recipients have personal access codes and are alerted by email or text message when letters are added to the system. Each trial participant has agreed to have their mail opened and scanned. They are also receiving their letters in the original, physical form after they have been displayed electronically.

For parcels, Itella is testing automated collection machines located at local postal outlets. Again, recipients will receive a text message alert when parcels are ready for collection.

Deutsche Post Provides More Contact Points

Deutsche Post DHL is expanding the geographical coverage of its mail and parcels network in Germany, adding thousands of contact points in order to improve access for private customers.

"This underlines our commitment to be the 'Post for Germany' without ifs and buts in times of fierce competition," said Jürgen Gerdes, head of Deutsche Post's mail and parcels division.

This year the company will add about 4,000 new sales points to the 17,000 already in place. It is approaching potential retail partners across the country who will offer postal products required by private customers.

In addition, Deutsche Post is adding 2,000 letter boxes to the current network of 108,000 and 150 parcel Packstations to the 2,500 already in place.

The latest customer survey conducted by the company revealed that many customers would welcome more contact points.

CTT Correios Announces 2009 Net Profit

CTT Correios of Portugal has announced a net profit for 2009 of EUR 50.6 million. According to newspaper reports, the Portuguese postal operator's operating profit (EBIT) was 14 percent lower year-on-year at EUR 66 million.

Turnover was down 4.3 percent at EUR 820 million with the dominant mail business seeing a 5.2 percent decline in revenue to EUR 597 million, newspaper reports said. Mail volume dropped by 5.5 percent in 2009.

CTT Correios is modernising its postal operations, introducing more automated sorting technology and changing working hours. Postal unions object to a planned move of some sorting and delivery work to a subsidiary.

Workers have embarked on two weeks of rolling one-day strikes at local sorting centres culminating in strikes at all Lisbon sorting centres between May 4 and 7. They are protesting against changes to conditions of work and government plans for a three-year pay freeze.

CTT Correios said the strikes would have only a "minimal impact" on customer service and would affect only about 15 percent of total volumes.

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UK Postal Workers Accept Pay Deal

Royal Mail has warmly welcomed a vote by postal workers in favour of a deal on pay and conditions agreed with the Communication Workers Union in March.

The deal, called "Business Transformation 2010 and Beyond", will increase postal workers' pay and allowances by 6.9 percent over three years from April 1 and reduce the working week to 39 hours.

In addition, Royal Mail will pay lump sums totalling GBP 1,000 per full-time employee linked to the introduction and implementation of planned changes.

Commenting on the vote, Mark Higson, managing director of Royal Mail Letters, said: "This is a great outcome for Royal Mail, its customers and its people. We are already half way through our GBP 2 billion modernisation plan and we are all now focused on getting on with the changes that will give Royal Mail a strong and successful future and will protect the future of the universal service."

De Post/La Poste Result Improves in 2009

Shareholders of De Post/La Poste approved 2009 figures at their annual general meeting on April 21.

The company achieved earnings before interest and tax (EBIT) of EUR 373.6 million, an increase on the EUR 269.4 million reported for 2008. Operating income in 2009 was EUR 2.25 billion compared with EUR 2.26 billion the previous year.

The company said that cost savings of EUR 35 million had resulted in "more than respectable" results with normalised EBIT rising 8.2 percent from EUR 221.9 million to EUR 240.1 million.

Posten Norden Chief Seeks Relevant Regs

Posten Norden's group chief executive, Lars G. Nordström, has called for regulation and supervision that takes account of new conditions faced by the company.

Addressing the group's first annual general meeting on April 14, Mr. Nordström said Posten Norden had to be given "the right to adapt and develop its operations in a way that allows it to deliver what customers demand while meeting the owners' yield requirements."

He predicted that mail volumes would continue to fall and emphasised the difficulty of predicting future "normal" volume levels.

He said the arguments in favour of the merger between Posten AB and Post Danmark were even more relevant today. A successful communication and logistics company in the Europe of tomorrow would be customer and results oriented with skilled and dedicated employees. "Posten Norden has all the makings of becoming such a company," said Mr. Nordström.



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TNT Shareholders Take Stock Option

More than 50 percent of TNT's outstanding capital has elected for their 2009 dividend to be paid in stock following an offer to pay either wholly in ordinary shares or wholly in cash.

TNT's annual general meeting on April 8 established a final dividend over 2009 at EUR 0.35 per ordinary share. Shareholders electing to take the dividend in shares will receive one new share for every 65 dividend rights, 2.21 percent above the value of the cash dividend.

Swiss Post Buys Local UK Mailer

Swiss Post has acquired MCM Direct Limited, a British mailing services company providing mailing preparation, despatch and delivery for local businesses in the Southampton area.

Until now, Swiss Post International's (SPI) UK operations have focused on large-volume international shipping. With the MCM acquisition, SPI says it can now offer UK companies despatch services for direct marketing, newspapers and magazines, small goods and business correspondence.

The company said this latest acquisition continues its strategy of growth in foreign markets.

Poste Italiane and UPS Renew Express Deal

Poste Italiane and UPS have renewed their international express cooperation whereby UPS transports and delivers Poste Italiane's outbound express shipments.

The cooperation began in 2006. Over the past four years, the two companies have integrated their IT networks providing Poste Italiane with access to UPS's technology platform. The outbound service is offered at 14,000 Italian post offices.

Poste Italiane chief executive Massimo Sarmi said: "The cooperation enables Poste Italiane to offer internet-based companies a large-scale logistical and technological support network to develop their international business."

Operators Turn to Road in Flight Ban

International air mail was hit hard by the six-day ban on flights in Europe during April caused by dust from the erupting Eyjafjallajökull volcano in Iceland.

"There has inevitably been an impact on international postal operations worldwide," Universal Postal Union spokesman Rhéal Leblanc said. "At the height of the problem, operators reported an inability to forward mail to destinations due to a lack of flights and many resorted to road transportation to get mail as close to the destination as possible or to airports where flights were being allowed."

DHL, TNT, UPS and FedEx all moved express air shipments to slower but reliable road transport to ensure they delivered goods, albeit with delays of 24 hours or more.

DHL Express stressed that it kept European deliveries moving through the EU airspace shutdown using a range of contingency measures. It routed additional flights, from its US hub at Cincinnati to its facility at Vitoria, Spain, below the dust line, to keep shipments moving through the network.

DHL also set up alternative ground routes across Europe, increasing its fleet of trucks to over 300 in three days. "We activated our weather contingency plans and they worked. We never stopped pick-up and delivery," stated Roger Crook, chief executive officer for DHL Express Americas. "We had some delays to some European countries, but we had continuous flow in our hubs."

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(Operators Turn to Road in Flight Ban, continued)

TNT Express said it had kept backlogs in Europe to a minimum thanks to its road network and various contingency plans that it put in place on April 15. For shipments using TNT's express air services, the company set up separate road line-hauls (using trucks and vans) through its air hub in Liège to expedite Express shipments. Time-sensitive materials, such as pharmaceutical goods, received priority treatment.

In addition, TNT continued to transport freight to and from the UK, thanks to a priority agreement with Eurotunnel.

UPS UK said on April 21 that its intra-European express shipments were still being transported by the European ground network to deliver as much of the volume as possible at the latest by the end of the business day for which it was scheduled.

DPD Confident of 6% Growth in 2009

European parcels operator DPD says it intends to increase its volumes in Germany by six percent this year to more than compensate for a 3.5 percent drop in 2009.

DPD Germany has reported a strong first quarter with double digit growth in international parcel shipping and a 6.6 percent increase in overall volumes.

The company has noticed market trends that it believes will have long-term effects: a switch from air freight to road transport; a move from express to standard parcels; smaller, more frequent parcel deliveries rather than large freight shipments.

DPD believes it is also benefitting from a trend towards procurement logistics. It claims to be the leading procurement logistics supplier to do-it-yourself stores in Germany.

During 2010, DPD will launch an internet-based customer platform, MyDPD, and will continue investing in network expansion.

La Poste Buys Document IT Provider

Groupe La Poste, France, has acquired the remaining 49 percent stake in Sefas Innovation, a European software solutions provider specialising in document production.

The company first acquired a 51 percent stake in 2008. The latest purchase has been made through La Poste's Docapost holding company, which brings together the group's flow management and business process optimisation activities.

Docapost has a turnover of more than EUR 400 million, while Sefas Innovation's turnover is more than EUR 10 million.

Secure Transport for Smaller Shipments

DHL Freight is to extend its secure transport service to pan-European less-than-trailerload (LTL) shipments providing an overland option for smaller, high-value shipments.

DHL High Value will first cover ten European countries for LTL services extending to full coverage of all European countries by 2012

The security attached to DHL High Value includes mobile radio communication, closed swap and box trailers, CCTV monitoring at terminals and storage in security cages. DHL is a member of the Transported Asset Protection Association (TAPA) and maintains a dialogue with security experts.

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Bubble Pack to Hold Lighter Goods

Groupe La Poste’s express subsidiary, Chronopost, has a new packaging solution for its express “Prêt-à-Expédier” service delivering the next day throughout France before 13.00 hours.

The bubble envelope is designed for goods weighing less than 1kg, and can be stored flat until it inflates automatically when opened for use.

The Prêt-à-Expédier service, launched in 2008, offers protective packaging, before 13.00 hours delivery and tracking.



Hermes Does Well During Downturn

German operator Hermes increased its net turnover in its parcels, mail and bulky item business by 6.6 percent to EUR 840 million in the year to end February 2010.

The figures do not include Hermes’ foreign companies and three independent firms, Hermes Fulfilment, Hermes Europe and Hermes Transport Logistics.

Managing direct for Germany, Harmut Ilek, said the company had recognised trends for e-commerce, digitalisation and environment-friendly logistics and used them effectively. “Even in the difficult financial year of 2009 we were able to increase turnover once again and expand volumes significantly,” he said.

Core business-to-consumer and consumer-to-consumer parcel volumes rose about ten percent to 215.7 million shipments in 2009.

“Our business has clearly profited from the fact that private consumption remained stable at a high level in 2009 despite the economic crisis,” said Mr. Ilek. He confirmed that Hermes will continue to invest in sustainable growth after investing more than EUR 100 million in Germany in the past three years.

Russian Post Clears Moscow Backlog

The 50,000 shipment backlog held up at customs in Moscow has been eliminated according to Russian Post thanks to staff working round-the-clock and use of additional staff.

Russian Post said that additional measures to optimise logistics flow of international inbound shipments would lessen the load on the international post office in Moscow in the medium term.

Russian Post is now planning for anticipated growth in international shipments of between 15 and 20 percent a year. The number of international post offices is being increased from 12 to 25 across the country.

DHL Targets Trade in Middle East

DHL is targeting the growing trade between the Middle East and Africa (EMA) and North Asia Pacific (NAP).

It anticipates annual growth in air freight of 8.3 percent and in sea freight of 7.1 percent by 2015 from NAP to EMA.

The company believes its sector approach in life science and chemicals, fashion, automotive and electronics is relevant to trade between NAP and Egypt where it presented figures at its annual trade lane meeting.

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La Poste Launches Mobile Phone App

Groupe La Poste had launched a free mobile phone app that allows users to look up addresses and the nearest post office, track a letter or parcel, calculate postage rates and find the correct post code.

German Postage Stays in the Middle

Deutsche Post's annual survey of European letter postage rates has found that the EUR 0.55 rate that has applied in Germany for the past 13 years is within the European mid range.

Poczta Polska to Cut Jobs

Poczta Polska restructure will cause 5,000 of its almost 100,000 workers to lose their jobs or have their employment conditions changed. The operational changes are being made in the run-up to liberalisation next year in a bid to ready the public limited company for competition.

PostBus Lifts Sales in 2009

Swiss Post's PostBus subsidiary lifted its sales by six percent in 2009 to CHF 640 million and matched its 2008 profit figure of CHF 27 million. PostBus increased its international sales by 36 percent year-on-year to CHF 45.8 million owing mainly to new business in France.

APC Handles Fruit with Care

British parcels carrier APC Overnight has won a contract to deliver fruit baskets via its next day Handled with Care service for e-commerce operator Fruit-4U.

Geodis Completes Purchase of Ciblex

French operator Geodis has completed its acquisition of small parcels operator Ciblex which will become Geodis's up-to-30 kg network within the groupage division. Ciblex broadens the range of small parcel solutions offered by Geodis, especially in e-commerce, health, optics, high-tech products and spare parts.

UK Post Office Promotes Holiday Money

The United Kingdom Post Office continues to promote its lucrative Holiday Money currency services through survey-based public relations activity.

Americas

Canada Post Profit Flows from Cost Control

In 2009, Canada Post recorded consolidated net income of CAD 281 million on revenue that declined by CAD 421 million to CAD 7.3 billion.

The Corporation said the profit failed to reflect the underlying weakness in its operating performance and the financial challenges ahead. It would have reported a loss except for cost containment resulting in a CAD 540 million cut in planned costs, coupled with an unplanned non cash reduction of CAD 271 million in employee future benefits expense.

"Looking ahead, as mail volumes are predicted to decline further, cost containment measures will not be sufficient to sustain our company. We must continue to modernise and seek ways to grow our business," said president and chief executive Moya Greene.

Canada Post's pension plan ended 2009 with an estimated solvency shortfall of CAD 2 billion representing a solvency funding ratio of 88 percent. The company will begin making special solvency payments in 2010 designed to bring the ratio up to 100 percent.

Canada Post announced the plan's financial results on April 16. With total net assets of CAD 13.58 billion at the end of 2009, the plan is one of the largest single employer defined benefit pensions in Canada. It offers inflation-protected benefits, making it one of the best retirement packages in the country.



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Worst of the Recession Over: Appel

Deutsche Post DHL is optimistic about initial signs of world economic recovery and is fully committed to the United States market, according to its chief executive Frank Appel.

"The worst seems to be over and there are clear signs of an economic comeback on the horizon," Mr Frank Appel said in a speech to the US Chamber of Commerce.

He said DHL is prepared for growth in all four of its business units in the US: international express, air and ocean freight, mail and supply chain management. "Let me be loud and clear: DHL is and will remain a strong player in the US market."

He emphasised that free trade is a key component of sustainable economic growth and stressed the vital need for governments to work towards reducing or modifying trade barriers such as customs duties and competing trade regulations.

He urged the United States to conclude the pending free trade agreements with Colombia, Panama and South Korea.

Mr. Appel said he supports President Barack Obama's national export initiative, which aims to double US exports in the next five years.

Potter Restates Case for State Flexibility

The United States Postmaster General, John E. Potter, has reiterated his requests for permission to introduce five-day delivery and for restructuring retiree health benefit pre-funding.

Testifying before a Senate subcommittee on Federal Financial Management, Mr. Potter said legislative change as well as continuing growth and cost reduction is needed to put the US Postal Service back on the path of financial stability.

The Postal Service is required to make a payment of USD 5.4 billion to the Retiree Health Benefits fund in 2010; a move to five-day delivery is projected to save up to USD 3.1 billion. Action on those two items "could generate the largest and most immediate financial benefits and move us toward narrowing our financial gap," Mr. Potter said.

The Postmaster General also pointed to a report from the Office of the Inspector General that found that the Postal Service has overpaid its share of Civil Service Retirement System payments by USD 75 billion. Favourable consideration of that report would "lessen the immediate financial crisis," said Mr. Potter.

The Postal Service also sought permission to offer postal services in outlets other than post offices; require arbitrators to consider the financial health of the Postal Service when deciding contract awards; allow the Consumer Price Index price cap to be applied to all market dominant products on a class-by-class basis, and reform the Postal Service oversight regimen.

UPS Sees Good Times Returning

UPS consolidated revenue grew seven percent in the first quarter of 2010 to USD 11.7 billion, driven by an 18 percent increase in international packages and a 14 percent increase in supply chain and freight activities.

International daily volumes grew significantly with exports up more than nine percent and non-US domestic up by more than 24 percent. US domestic daily volume increased by less than one percent, but that was nonetheless the first year-on-year growth in more than two years.

"We expected the first quarter to be the most challenging of 2010 as the economic recovery gathered steam through the year," said Kurt Kuehn, UPS's chief financial officer. "As it turned out, revenue was stronger than we expected due to international volume gains, increased yields in the US and growth in forwarding and logistics. Also, the operating leverage in our streamlined network provided higher margins than anticipated."

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(UPS Sees Good Times Returning, continued)

Group operating profit for the quarter was USD 1 billion, representing an operating margin of 8.9 percent. Domestic packages contributed an operating profit of USD 562 million, achieving a 7.9 percent operating margin, while the USD 427 million operating profit achieved by international packages produced a 16.2 percent margin.

Correios Brazil to Expand into Logistics

Brazil's postal operator Correios is set to diversify into the logistics, e-commerce and financial services sectors to compensate for mail decline.

The government is to publish plans enabling Correios to offer commercial logistics services in competition with international integrators and domestic operators. A key move planned will be to transform Correios into a limited company able to set up subsidiaries or to have private shareholders.

In addition to developing services in new sectors, Correios president Carlos Henrique Custódio want to set up a cargo airline to provide domestic airlift.

There are plans to modernise the postal operator's vehicle fleet with the purchase of 261 vans for residential collection and delivery. The investment is part of a long-term fleet modernisation programme.

Postal Service Rewards Supplier Excellence

The United States Postal Service has recognised 13 of its suppliers for delivering best value solutions that reduce costs, enhance performance, maintain high levels of service and collaborate to grow the business.

The awards in six categories were for supplier performance, excellence, diversity, innovation, sustainability, plus the Postal Supplier Council Excellence award.

>> In Brief - Americas

DHL Invests in Latin America

DHL Express plans to invest USD 50 million in four new B757-200 aircraft to replace smaller, older aircraft operating from its regional hub in Panama, which opened in 2008. A second hub has opened in Guatemala to expand regional coverage in Central America and the Caribbean.

Estafeta Invests in Upgraded Operations

Mexican express operator Estafeta has invested EUR 3.6 million in acquiring 207 new vehicles as part of this year's EUR 9.6 million investment in modernising its fleet and operations.

FedEx Transforms Contaminated Site

Small package unit FedEx Ground has received an award for transforming a contaminated site in Oregon into a parcel sorting hub due to open this summer.



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Australia Post to be "Future Ready"

Australia Post's new managing director, Ahmed Fahour, has unveiled a five-year business renewal programme called Future Ready. He plans to compensate for declining letter volume by growing parcels, express, online and retail services.

Mr. Fahour has said he wants a more customer-focused and sustainable company. Australia Post will restructure into four strategic business units with individual profit and loss accountability covering postal, express, retail and electronic services.

The Postal Services unit will be responsible for both letters and parcels to enable parcels growth to offset letter decline. "While the internet is the worst enemy of the letter business, it's the parcels business's best friend," said Mr. Fahour.

The Express Distribution Services unit will oversee the courier and logistics business plus Australia Post's joint ventures. These include Australian Air Express, Star Track Express and Sai Cheng Logistics.



The unit will focus on the business-to-business market especially in Australia and Asia. Mr. Fahour wants to expand the joint venture with Sai Cheng Logistics, which organises warehousing and distribution of Chinese-made goods for Australian-based importers.

Retail Services will aim to be the community hub for trust-based services such as passports, identity verification and payments.

E-Services will be enabled by the Future Ready programme to do in the digital world everything Australia Post does in the physical world, according to Mr. Fahour.

Separately, Australia Post has lodged a formal notification with the Australian Competition and Consumer Commission (ACCC) proposing a five cent increase in the basic postage rate from June 28 this year.

The company believes it has addressed issues raised by the ACCC in December in response to its notification in July 2009.

Financial Sector Alarmed at Japan Post Plan

The Japanese Government's decision to abandon the previous administration's plans for postal privatisation has infuriated private financial institutions, which fear there will be no level playing field for insurance and savings services. The government officially announced its reform plans on April 19 in a bill which it expects to enact in the current Diet session. Under the plans, a publically owned Japan Post Holding company would hold more than one-third of the shares in each of two subsidiaries for insurance and banking services.

In addition, individuals would be allowed to hold up to JPY 20 million in postal savings, double the current limit. The plan also raises the maximum postal insurance payout to JPY 25 million from the current JPY 13 million.

Yoshio Sato, chairman of the Life Insurance Association of Japan, objected to the government's plan to allow Japan Post Holdings Co.'s life insurance unit simply to report new operations to the authorities.

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(Financial Sector Alarmed at Japan Post Plan, continued)

"It will be unfair unless Japan Post Insurance Co. is required to obtain pre-approval like the private sector. It should be subject to the same requirements as private-sector counterparts when launching new operations," Mr. Sato said at a news conference.

The newly appointed chairman of the Japanese Bankers' Association, Masayuki Oku, shared bankers' concerns worldwide that the new regulation could negatively impact the credit flow and economic growth.

The United States has also shown concern that changes to the privatisation process could seriously damage competition in Japan's financial markets.

In an annual report to Congress on foreign trade issues, the Office of the US Trade Representative urged Japan to "ensure that all necessary measures are taken to achieve a level playing field" between the Japan Post companies and private-sector participants in the country's banking, insurance and express delivery markets.

DHL Brand Takes Gold

DHL has received gold awards as the best air freight and courier service provider in both Asia and Singapore in the Trusted Brands Awards organised by the Reader's Digest.

This year's Asia's Trusted Brand survey canvassed the opinion of 8,000 consumers in China, Hong Kong, India, Malaysia, Singapore, Taiwan, Thailand and the Philippines. DHL won the overall Gold Award for Asia and the Gold Award in Singapore and six other Asian countries.

Strong First Quarter for Blue Dart

Indian operator Blue Dart Express said it more than doubled its operating profit to INR 362.6 million in the first quarter of 2010, after increasing operating revenues by 23 percent to INR 2.58 billion.

It said the result demonstrated recovery in the Indian air express market following a sharp downturn in early 2009.

UPS Opens Intra-Asian Hub

UPS has opened its new, USD 180 million intra-Asian hub at Shenzhen Baoan International Airport in China to replace the hub in the Philippines.

The new hub cuts shipment time in transit by at least a day in the region, processing up to 18,000 items an hour. It connects all major Asian points for transportation of intra-Asian traffic.

DHL Ramps up Capacity to Meet Demand

DHL has contracted additional air capacity for freight shipments from Asia in response to increasing demand, which it says has now returned to pre-economic crisis levels.

Intra-Asian trade is forecast to grow at a compound annual growth rate (CAGR) of 6.2 percent, fuelled by increasing consumption in China. Air cargo volume between North America and China is expected to grow by eight percent CAGR between 2010 and 2019 and by 6.8 percent during the same period between western Europe and China.

"Based on our outlook for the year, we're taking the necessary measures to bolster our air freight capacity," said Kelvin Leung, chief executive of DHL Global Forwarding in north Asia Pacific

ANA Merges Subsidiaries

Japanese airline ANA plans to merge its express subsidiary, ANA & JP Express (AJV), into its Air Japan domestic passenger carrier in order to reduce costs.

AJV was created as a new cargo airline in 2006 when Japan Post was expanding its international business. Japan Post held a 33 percent stake in AJV; it was reported last autumn that it wanted to pull out, and in April this year ANA bought out Japan Post's holding along with other minority stakes held by Nippon Express and Misui OSK Lines.

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DHL Witnesses Growth in Healthcare

DHL says it increased shipments of healthcare products in Asia by seven percent last year thanks to rising demand in fast-expanding economies such as China and in countries such as Japan with ageing populations.

DHL has expanded its Asia Pacific infrastructure for the life science and healthcare sector. It established its first China Competence Centre at Pudong International Airport, Shanghai, and plans to open a second this year in Tianjin.

In Australia, DHL completed a USD 32 million facility for air and ocean handling, including a competence centre at Melbourne Airport last year. It has committed investment of USD 15 million in competence centres in India and a facility expansion in Singapore.

Price Increases to Boost Pos Malaysia

Pos Malaysia achieved a net profit of MYR 79.3 million in 2009 despite a drop in revenue and expects a big rise in revenue this year following planned price increases of 75 to 100 percent.

ABOUT THIS PUBLICATION

IPC Market Flash is a bi-weekly newsletter providing a comprehensive look at new developments emerging in the international postal marketplace. It is published by the Markets and Communication Department of the International Post Corporation.

IPC Market Flash is sent out exclusively to IPC member posts. If you would like to contribute an article or photograph to this publication please contact us via email at publications@ipc.be or send your submissions to:

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