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POTTER TELLS FORUM GOERS: BOLD ACTION BUILDS BUSINESS

Washington, D.C. – Postmaster General John E. Potter Monday told thousands of mailers attending the National Postal Forum that bold thinking and bold action by the Postal Service and its customers will keep the U.S. Mail as a powerful medium that delivers value and transforms American business.

He also told convention goers that he will maintain the pledge made in 2002 that postage rates will remain stable until 2006. Potter also said that the postal reform legislation currently pending on Capitol Hill could determine the size of future rate increases. “The time for talking to one another is over,” said Potter, who suggested that the attendees express their concerns to members of Congress while they are here.

The three-day, annual event is being held this week at the Washington D.C. Convention Center and offers the \$900 billion mail industry access to postal experts, the latest mail innovations to help improve profitability, security and efficiency.

Potter called on the mailing industry to join in the effort to grow mail volume by not only making it easier to process and distribute the mail, but by spreading the word about the value of mail to small and medium-sized business owners. Potter said his overriding message is “think bold, take bold action and let’s build the business together.”

In the opening session of NPF, Potter declared the value of mail to the U.S. economy is often discounted. “But remember, the Postal Service and U.S. Mail are embedded deep in the red, white, and blue that is America ... We’re out there, every day, on every street, in every neighborhood. The American people just expect the mail will be there. And it is!”

Without the mail, he said today’s specialty and general catalogs that are the direct descendants of major retail companies would not exist. From its earliest beginnings, he said mail helped build the airline industry, created ZIP Codes for targeted mailings, launched the direct mail industry and now links online businesses to the delivery network.

He said the mail “is about staying in touch with customers. It’s about reaching out to new customers. It’s about personalization. It’s about the convenience of having the message delivered to your door. It’s about value.”

Potter described the efforts of the Postal Service to take costs out of the system, to work with mailers in introducing technology and streamlining the transportation and distribution networks. “We’ve made it easier for you to do business with us and now we are laying the groundwork for the Post Office of the 21st century,” he said.

During the last three years under the Transformation Plan, he said, he has focused the entire organization on growing the business, improving service, reducing costs, keeping rates stable to 2006, he said.

"I firmly believe that high quality services and costs are not mutually exclusive," he said noting the efforts to remove a cumulative \$8.3 billion in expenses. At the same time, managers were cutting expenses over the past three years, which included bringing the labor force to just over 700,000, a level last reached 20 years ago. At the same time, the Postal Service has reached record service levels and is delivering more mail to more addresses, he said.

He encouraged mailers to "embrace the next generation of information-rich barcodes" that will allow them to track mail end-to-end and allow the Postal Service to increase the quality of sorting.

Potter committed to involve the mailers as part of the process. "Remember, this is a partnership. I fully intend to keep our partnership strong," he said.

He called on the mailing industry to spread the word about the "real value in the mail – the mail offers the best choice to communicate.

"All of us have to spread a simple message: put the U.S. Mail to work for you," said Potter.

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Since 1775, the U.S. Postal Service has connected friends, families, neighbors and businesses by mail. It is an independent federal agency that visits 142 million homes and businesses every day and is the only service provider delivering to every address in the nation. The Postal Service receives no taxpayer dollars for routine operations, but derives its operating revenues solely from the sale of postage, products and services. With annual revenues of more than \$68.9 billion, it is the world's leading provider of mailing and delivery services, offering some of the most affordable postage rates in the world. The U.S. Postal Service delivers more than 46 percent of the world's mail volume—some 202 billion letters, advertisements, periodicals and packages a year—and serves seven million customers each day at its 40,000 retail locations nationwide.