

Changing Times Call For New Approaches

by Azeezaly S. Jaffer

(NAPSA)—The way most people do business has changed significantly since the 1970s, when few people envisioned the Internet as a widespread mode of communication and there were few options for sending mail overnight.

Yet one enterprise still has to provide service to the public at a competitive rate while being constrained by outdated regulations created over 30 years ago.

That enterprise is the U.S. Postal Service. It is time for the Postal Service to be free of an outdated business model that no longer meets the needs of its customers.

The majority of mail routes do not have a sufficient volume of mail to cover the cost of delivery, but the Postal Service is obligated to provide delivery to every community as a public service.

The question is how do you fund mail delivery to every community at a uniform rate in the face of declining mail volume?

A Presidential Commission has been appointed to look at what changes are needed in the current law to improve the business model the Postal Service operates under.

Unlike its competitors, the Postal Service is not allowed to retain its earnings, making it harder to finance capital spending. It cannot close post offices solely because they are unprofitable.

And unlike its competition, the service does not and cannot arbi-



The Postal Service provides delivery to every community, even if it is unprofitable to do so.

trarily increase rates at the beginning of each year. Instead, it must go through an 18-month-long process to change its rates—something no private sector competitor has to do.

The lack of pricing flexibility and the inability to give volume discounts to large mailers to increase mail volume are constraints that burden no private delivery company.

The world has changed. It is time for changes in how the Postal Service is allowed to run its business. Competition is good. But the shackles have to be removed to allow the Postal Service to compete without the outmoded regulations of yesterday.

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