

Before the
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

MARKET TEST OF EXPERIMENTAL PRODUCT
GIFT CARDS

Docket No. MT2011-2

Associated Mail & Parcel Centers (AMPC) Comments

In response to *Notice of the United States Postal Service of Market Test of Experimental Product - Gift Cards (January 5, 2011)*, Docket No. MT2011-2, Dated January 5, 2011, Associated Mail & Parcel Centers hereby provides comments.

AMPC is the national trade association that conducts programs in research, education and industry relations on behalf of its 2000 member companies.

AMPC members sell gift cards and they are an important part of their business. Competition in the retail shipping industry is fierce, and many mail & parcel stores consider gift cards to be a key convenience item that they provide consumers. The private sector is clearly meeting the public need for gift cards. The Postal Service's filing acknowledges this fact.

AMPC believes that this government-sponsored competition is unnecessary and exceeds the Postal Service's authority pursuant to the PAEA. Indeed the Postal Regulatory Commission previously determined the sale of stored value cards is a nonpostal service prohibited by the Act.

Market share acquired by the Postal Service will be at the expense of our members. Gift card sales and ancillary consumer purchases at retail shipping centers will be reduced.

The Postal Service is seeking to offer a new nonpostal service in commercial markets unrelated to its core postal business. The Commission should order the Postal Service to cancel the market test. Gift cards are available in more outlets than ever. Competition is thriving in the private gift card marketplace, and allowing the Postal Service to sell gift cards would only serve to diminish it.

AMPC respectfully submits the foregoing Comments for the Commission's consideration.

Jim Kitzmiller
Executive Director, AMPC