



January 23, 2018

Mighty Mug
665 Martin Street
Rahway, NJ 07065

Re: BEFORE THE POSTAL REGULATORY COMMISSION
NOTICE OF A PRELIMINARY DETERMINATION TO UNSEAL THE MATERIAL
FILED IN RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 1, QUESTION 1

To the attention of the Postal Regulatory Commission,

My name is James Smaldone, and I am the Founder and CEO of the innovative drinkware company, Mighty Mug. Our company has several US and International utility patents for our unique technology, which allows our coffee mugs to resist accidental knocks and bumps.

Over the past three years, we have had an excessive amount of counterfeit and knock-off items enter the US market. These infringing items, by and large, are being manufactured and shipped directly from Asia.

The fact that these foreign shippers are being given rates far below what the average small businesses in the US pays, puts businesses like mine at a massive disadvantage. For our company, a 1 lb package shipping within the US will cost us \$6.30 via the USPS, but a foreign competitor of ours gets a rate of \$1.40 via for that same delivery. This substantial shipping discount creates distortions in the marketplace, making the foreign shipper, hypercompetitive.

The fact that the USPS is not even covering their cost to deliver many of these foreign shipments makes this whole situation all the more baffling.

During my time researching Terminal Dues, I have found it disconcerting that the rates offered to foreign competitors were not readily available. Something of this magnitude, that impacts all US shippers should not be shrouded in secrecy, it should be made public, so at the very least American businesses can know what we are up against and can adapt to be competitive. I agree with the Commission that asking for aggregated data from several countries should end any claims that business-sensitive proprietary information of foreign postal services is at risk.

Since our U.S. Postal Service domestic rates are public and readily accessible to international competitors, it only seems right that we can see the prices each of these countries are given for delivery within the U.S. I encourage the Postal Regulatory Commission to disclose as much about inbound

ORDER NO. 4377 (January 17, 2018)

Docket No. ACR 2017

COMMENTS OF JAMES SMALDONE,
FOUNDER & CEO, MIGHTY MUG, INC.

international Terminal Dues as possible. It appears that select countries are providing massive subsidies for shipments destined for the US. For this reason, I believe it is crucial to see the exact volume from each country. I am confident that this data once available will be of great interest to the WTO as well as individuals within our government that specialize in trade-related issues.

With the 2018 domestic rate hikes just setting in, I believe this is the perfect time for the USPS, the PRC, The State Department, The White House and American Businesses to review Terminal Dues and to understand what its current and future impact on domestic businesses is.

I would like to thank the Postal Regulatory Commission for issuing this order and preliminarily deciding to require the U.S. Postal Service to unseal the information on terminal dues revenues and shapes for aggregated groups of countries.

Be Mighty,

A handwritten signature in black ink, appearing to read "James Smaldone". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

James Smaldone
Founder, Mighty Mug
mightymug.com