



April 24, 2019

Postal Regulatory Commission
901 New York Avenue, NW, Suite 200
Washington, D.C. 20268

**RE: 2018 Annual Compliance Report, Docket No. ACR2018, Preliminary
Determination to Unseal Library Reference PRC-LR-ACR2018-NP3**

To the Attention of the Commission:

The Lexington Institute strongly supports the Postal Regulatory Commission's decision to compel the U.S. Postal Service to unseal revenue data related to inbound letter shipments from foreign postal services, aggregated by shape and by terminal dues group.

Such broad, basic financial information is the bare minimum that should be required as the public has a compelling need and right to this information.

Today, American merchants, entrepreneurs and manufacturers all lose substantial business because of America's participation in the Universal Postal Union's terminal dues system. This enables small packages (4.4 pounds or less) to be shipped from China to the U.S. at a fraction of the cost to send the same packages domestically. The Postal Service absorbs the losses and U.S. postal consumers must pay to make up the difference.

In addition to the Postal Service's large losses on such shipments, other significant costs include billions of dollars of lost sales for U.S. businesses, lower federal and state tax revenues, an incentive to Chinese counterfeiters and a reduction in U.S. job creation.

Furthermore, through a Presidential Memorandum and other actions, President Trump has made clear that the current terminal dues system must end. Keeping basic information hidden about a postal service that will soon be overhauled serves no public purpose.

The Lexington Institute is a public policy think tank that has been analyzing postal and logistics policy since 2003. At no time has the future of the Postal Service been as dire, or in need of reform, as today. Fixing the large losses from international small packages, and the harm it does to Americans, should be a top priority. Having basic financial information about international mail in the public domain will be a helpful step.

Respectfully,

A handwritten signature in blue ink that reads "Paul F. Steidler".

Paul F. Steidler
Senior Fellow -- Lexington Institute