

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

REVIEW OF NONPOSTAL SERVICES

Docket No. MC2008-1

STATEMENT  
OF  
MARGOT A. MYERS  
ON BEHALF OF THE  
UNITED STATES POSTAL SERVICE

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1 **AUTOBIOGRAPHICAL SKETCH**

2 My name is Margot A. Myers. I am currently the acting manager of Retail Marketing in  
3 the Retail Operations Department of the United States Postal Service, a position I first  
4 took in April 2008. Prior to that, I was manager of Retail In-Store Programs in Retail  
5 Marketing. I joined the Postal Service in November 1984 as a Public Affairs Officer in  
6 the Phoenix, AZ Management Sectional Center. I was promoted to Communications  
7 Manager in the Phoenix Division in June 1986 and performed those duties for four years.  
8 I received my first appointment to the Postal Career Executive Service in August 1990  
9 as the Regional Communications Administrator for the Northeast Region. I came to  
10 Headquarters in December 1991 on special assignment as Director of Olympic  
11 Communications and Special Events. In November 1992, I was appointed Manager of  
12 Creative Services in the Headquarters Communications Department and served in a  
13 variety of executive positions in Communications until moving to Retail Marketing in  
14 December 2002 as manager of Retail Planning and Development. My title changed to  
15 manager of Retail In-Store Programs in March 2004. I have been acting in my current  
16 position since the departure of Tina Lance on April 1, 2008.

17 Currently, my primary responsibilities relate to the selection, marketing and  
18 merchandising of postal retail products sold in more than 32,000 Post Offices, stations  
19 and branches. I also am responsible for retail employee communications.

20 I attended Northwestern University for two years and earned a Bachelors degree  
21 in Business Administration from the University of Phoenix in 1981. I have completed  
22 executive education programs at the University of Virginia and the University of North  
23 Carolina at Chapel Hill.

1 **I. PURPOSE AND SCOPE OF STATEMENT.**

2  
3 The purpose of my testimony is to describe the greeting card and ReadyPost programs,  
4 and their relationship with the provision of postal services.

5  
6 **GREETING CARDS**

7  
8 The Postal Service offered greeting cards and other stationery items at least as early as  
9 1997, when a relationship with American Greetings was formed to acquire products  
10 featuring The World of Dinosaurs stamp issue. Since then, note cards, greeting cards,  
11 and other stationery items sold in Post Offices have featured stamp designs and other  
12 postal intellectual property. Some were sold as philatelic items and others were part of  
13 the Official Licensed Retail Product (OLRP) program. Not all such cards, however,  
14 necessarily featured Postal Service intellectual property.

15  
16 Although the Postal Service has no plan to offer a full line of greeting cards in its retail  
17 lobbies, cards and stationery remain an important part of the retail product mix. For  
18 example, in the current integrated retail promotion featuring the Frank Sinatra  
19 commemorative stamp, various products are being offered in targeted Post Offices and  
20 online. These include two Sinatra-themed song cards (greeting cards with a musical  
21 chip). Unlike most of the other products offered in this integrated retail campaign, these  
22 cards do not feature any Postal Service intellectual property. In the first three weeks of  
23 the promotion, more than 12,000 of the song cards were sold at \$5.95 each.

24  
25 In FY07, known revenue from the sale of greeting cards was approximately \$27,300,  
26 and in FY06, was approximately \$35,900. These amounts reflect only sales through  
27 POS terminals, but that would be the large majority of greeting card sales.

28  
29 The majority of these items appear to be entered into the mailstream. If a person is  
30 buying notecards and matching stamps, it is likely that they are planning to mail  
31 them. For example, the Postal Service has offered thank you cards with the Wedding  
32 stamp image and matching Wedding stamps as a stationery kit. One could reasonably  
33 assume that these thank you notes are going to be written out and sent since this isn't

1 the sort of thing that would normally be hand-delivered. Overall, the majority of greeting  
2 cards, from all sources, are mailed, according to the Greeting Card Association.

3

#### 4 **READYPOST**

5 ReadyPost® is a USPS-branded line of shipping supplies designed for sale in postal  
6 retail locations to support mailing needs of our customers. ReadyPost® was introduced in  
7 2000 under the USPS ReadyPost Registered trademark. The generic product line  
8 consists of a selection of standard mailing cartons, specialty boxes, mailing tubes,  
9 mailing envelopes and a variety of packaging tapes and other shipping accessories.  
10 The decorative product line consists of mailing cartons, bubble mailers, mailing labels  
11 and licensed image shipping products.

12

13 Each item depicts the ReadyPost brand and the USPS Corporate logo. ReadyPost  
14 items are available in approximately 32,000 postal retail locations.

15

16 The program is supported by a contract with Hallmark Custom Marketing, Inc. Revenue  
17 is booked in GL account 42101.093, and was \$121.793 million in FY07, and \$115.955  
18 million in FY06.

19

20 In August 2006, Hallmark conducted an online survey consisting of a total of 510  
21 interviews, including 172 customers who were USPS purchasers in the last six months.  
22 Respondents were asked:

23

24 ***“Thinking of your most recent shipping supply purchase at each of the following***  
25 ***store(s), were the shipping supplies that you purchased for a single use or***  
26 ***multiple uses?”***

27

- 28 • USPS customers (172 responders) 71% were single use
- 29 • Mailing store customers (56) 79% single use
- 30 • Major discount retailer 1 (163) 29% single use
- 31 • Major discount retailer 2 (50) 42% single use
- 32 • Drug Store (70) 46% single use

- 1           • Office Supply Store (147) 29% single use

2

3       The USPS customer responses show that 71% of recent shipping supplies purchases  
4       were for single use as compared to retail stores where shipping supplies purchases tend  
5       to be for multiple uses. Most USPS customers thus appear to be buying supplies for an  
6       item that will be sent at the time of the visit to the USPS lobby.

7

8       This research supports the assertion that the majority of ReadyPost items purchased are  
9       used for mailing purposes. In many visits I have made to Post Offices while working in  
10      Retail Marketing, I have observed customer behavior related to ReadyPost products.

11      My experience is consistent with the findings of the Hallmark research. A customer will  
12      walk in with an item he needs to mail, peruse the ReadyPost display, select a carton or  
13      bag that is the appropriate size, assemble his package, and take it to the counter to mail  
14      it.

15

16

**DECLARATION**

I, Margot A. Myers, declare under penalty of perjury that the foregoing statement is true and correct to the best of my knowledge, information and belief.

Margot A. Myers

Margot A. Myers

June 23, 2008

Date