

POSTAL SOLUTIONS Inc.

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Postal Regulatory Commission
Ann C. Fisher
Director of Public Affairs and Government Relations

Reference: Docket No. N2010-1
Request of the United States Postal Service Six-Day to Five-Day Street Delivery and Related Service Changes, 2010

Comments by Postal Solutions, Inc., Torrance, CA

Postal Solutions Inc. is a Commercial Mail Receiving Agency and a USPS Approved Shipper that has been providing Mail Receiving and Sending Services to local Residents, businesses and organizations for over thirty years. We are also members of Associated Mail and Parcel Centers (AMPC) the National Trade Association for our industry.

As a Commercial Mail Receiving Agency (CMRA) Postal Solutions Inc., is part of a large network of Private Mail Box (PMB) providers that was established in the early 1900's. CMRA's provide essential enhanced services to the public that chooses to receive their mail via a CMRA.

The key issue concerning Postal Solutions Inc. is the question as stated by the Chairman Goldway in her Testimony on April 22, 2010: To what extent will adverse impacts on citizens, businesses or public institutions be ameliorated by Postal Service operational adjustments? And "How can the Postal Service maintain and improve its universal service to citizens and the business community who rely on the mail?"

Postal Solutions Inc. is open Monday through Saturday, distributing mail to its customers upon receipt from the USPS. Postal Solutions Inc. also participates in the USPS Approved Shipper Program that recognizes the Mail and Parcel Industry as a reseller of Postal Services and a partner with the USPS. The Postal Solutions Inc. CMRA's location consolidates the delivery of over 650 commercial and residential addresses to one carrier stop or Firm Holdout pickup.

The capacity for the expansion of our private sector mailboxes is currently 900 and can be expanded for further consolidated deliveries to Postal Solutions Inc. The capacity for expansion is limitless, as the need for physical boxes is not always needed.

Postal Solutions Inc. is concerned about the viability of the USPS. Reselling USPS services is an essential aspect of the Postal Solutions Inc. operations. Our revenues of Postal related services represent approximately 35% of our operation. Our Sales of Postal Products alone

average over Eighteen Thousand Dollars per month The savings that 5-day delivery will give the USPS looks to be necessary and operations such as Postal Solutions can help with the solution.

Under the current USPS proposed changes, USPS P.O. Box customers will continue to receive Saturday Delivery Service, while CMRA's will not receive any mail for their Postal Box Customers. This will create an immediate condition of unfair competition that will result in direct damage to CMRA's of which the affects cannot be predetermined. We believe that in order for the USPS to continue services to it's own P.O. Box customers as proposed, CMRA's must also be included for Saturday mail delivery in any 5 Day Delivery Plan.

Postal Solutions is proposing that the network that Postal Solutions Inc. and other CMRA's who are also USPS Approved Shippers be part of an expanded program. The expanded program would include Saturday delivery for all CMRA/USPS Approved Shippers. The increase in this network would generate additional revenues to the USPS without impacting labor or other costs. The consolidating of delivery to as few as 10,000 points throughout the country could provide Saturday mail to as many as 10,000,000 businesses and residences. And this number may be continue to be expandable as CMRA's add mailboxes and locations to meet increased sales activity of Postal Products.

This is an increase in efficiency of 10,000 fold and a reduction in Saturday delivery costs to 0.1% of today's cost for 10,000,000 delivery points.

Postal Solutions Inc. suggests that if pilot programs of five-day delivery in targeted areas are initiated that Postal Solutions Inc. become a participant in the program providing CMRA's as alternative Saturday pick up points that have expanded hours and convenient locations. Postal Solutions Inc. has already proven successful as a CMRA/USPS Approved shipper.

We continually strive for a strong relationship with the USPS and believe that our relationship is truly a win/win. Five years ago when Postal Solutions moved its operation, we worked closely with our local Post Office improving service and eliminating a collection box for the Post Office as part of the move. Making the relationship between CMRA/Approved Shipper network and the USPS can have the synergistic effects and cost savings that we all strive for.

The system is already in place, Testing of the expansion would be minimal since the cost saving to the USPS has already been proven. Each USPS Approved shipper is required to meet standards established by the USPS as well as sign agreements including those pertaining to homeland security issues. The USPS Approved Shipper Program requirements sets high standards of stores that desire to become part of this program. This creates a partnership that is truly a win/win/win situation for the Public, Postal Solutions and the U.S. Postal Service.

And again Chairman Goldway: "Just as limiting access and declines in service create a self-fulfilling prophecy, improvements which may seem small can create an incremental reinvigation that begets real growth. " I could not have said it better.

We also believe: "...that with a positive approach it is possible to create a realistic plan that envisions the future, a future with a vibrant communications network providing universal service and meeting changing citizen and customer needs and demands."

Postal Solutions Inc. believes that our proposal is in alignment with Chairman Goldway's stated position in this matter.

We request that the PRC include this advice to the USPS for serious consideration as a proven means to minimize the impact on citizens, businesses and public institutions.

Thank you.

Arnold Goldstein
President