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FIVE DAY DELIVERY

May 19, 1980

FIVE-DAY DELIVERY TASK FORCE REPORT/OPERATIONS

BACKGROUND

On March 25, 1980, a task force was established to identify the effects of reducing delivery days from six to five, including such things as the effect on the levels of service provided to the various classes of mail, the effect on various customer groups, the effect on various special services and a variety of internal operational impacts.

In accomplishing its work, the task force reviewed and relied heavily on the work accomplished by a previous task force established in 1976 to address the same subject. This review, along with discussions with, and input from, appropriate departments, led to the identification of a variety of issues that will need attention if five-day delivery is initiated.

In order to address the larger question of the effect on operating procedures, and, in fact, the whole question of operational feasibility of five-day delivery, the task force enlisted the aid of the Office of Industrial Engineering to construct a computer model to enable us to simulate a variety of operational assumptions.

We also elicited information from MSCs and independent offices relating to route volumes, route coverage on the street and letter carrier absence replacement. These are the same offices used by the earlier task force to establish certain operating and staffing assumptions. The volume and coverage information requested was used to validate certain of our computer model assumptions. The absence data was used to explore the possibility of establishing a methodology for determining the optimum levels of full-time reserve carrier positions at delivery units. In addition, several task force members made on-site field visits.

As Mr. Bolger requested, we initiated an effort to contact larger mailers to obtain their views on five-day delivery. To this end, the Customer Services Department, utilizing headquarters, regional and field Postal Service personnel, conducted a personal/telephone study of approximately 320 major mailers in 13 selected industries and government agencies. Mailers were specifically asked for any suggestions they might have about how best to implement five-day delivery, if that became necessary. It should be emphasized that the results of this effort are qualitative and not projectable to the universe of mailers.

To ensure that projectable data would be available on mailers in the event that five-day delivery became necessary, Customer Services also initiated a 2,000 telephone interview study of a projectable sample of firms in the same 13 industries (conducted by Opinion Research Corporation of Princeton, New Jersey). The results of this study will be technically supportable in the event that data from it are used as part of a Postal Rate Commission submittal.

FINDINGS

It is the conclusion of the task force that implementation of five-day delivery is possible. However, the reduction from six days of delivery to five will have major impacts on postal operations, on levels of service and on our customers, both as senders and receivers. Our major findings are summarized below.

Impact on Operations

Although it is operationally feasible to deliver the total mail volume of the Postal Service in five days if Saturday delivery is eliminated, the fact remains that, at least at the outset, there will be approximately 31 to 33 per cent of the total week's volume available for delivery on Monday morning. Although changes in mailing patterns and deposit times may eventually tend to level this arrival pattern, it is unlikely that such changes will have an effect during the first year under five-day delivery. Even with significant changes in deposit patterns, mail in the system will continue to accumulate over the two-day weekend in such a fashion as to assure that Monday's volume will be greater than that available for delivery on other days of the week.

This basic fact of Monday "peaking" creates a host of problems, not the least of which is an undesirable impact on service levels, which is discussed below. Aside from the service problem, we will face equipment shortages, such as a shortage of trays, rolling stock, etc.; we will have locations with inadequate space for storage of mail; and we may have problems with the adequacy of capacity of our present vehicles and those presently being planned for future procurements.

In an attempt to define new basic operating procedures for handling the Monday "peaking" at delivery units, we used the previously mentioned computer model to simulate the effects of various operating alternatives. Briefly, the assumptions included (among several other variations) the delivery of all accumulated mail on Monday; splitting the delivery of accumulated mail between Monday and Tuesday; and delivering only preferential mail on Monday, while load-leveling all non-preferential throughout the rest of the week. Simulations were done assuming average volumes and average city residential routes.

In terms of practicality, the alternative that assumes delivery of all preferential mail on Monday and a programmed curtailment of non-preferential throughout the week is the most feasible and provides the most opportunity for savings. Under this assumption, workhours would tend to equalize on a daily basis throughout the week, approaching roughly eight and one half work hours per day (with Monday remaining at 9). It is likely that routes would have to be adjusted to accommodate the new daily workload.

All other assumptions modeled proved to have problems with practicality or cost. For instance, an operating assumption that called for delivering all accumulated mail on Monday would require approximately 11 workhours each Monday. Obviously, it is not at all practical to expect each letter carrier to put in an eleven hour day on each Monday that "average" volumes are experienced on his route. It is even less practical to assume that the regular letter carrier could handle the route at all on days when the volume substantially exceeds the average, such as, first of the month periods. Further, our current part-time staffing levels (limited as they are by our labor contract) and sheer cost considerations would effectively prohibit us from providing each regular letter carrier route with from one to four hours of auxiliary assistance on each Monday. Thus, the delivery of all accumulated mail on Monday is not a viable option, even with the casing of mail on Saturday.

The task force also modeled a variety of assumptions that divided the delivery of accumulated mail over both Monday and Tuesday. Although this increased savings and lessened the number of hours required on a particular day to something lower than 10 on an average volume day, peak seasonal and first of the month volumes could still be expected to produce some 10-hour workdays. In addition, the existence of two heavy days at the beginning of the week, followed by three lighter days, would (unless alleviated by Saturday casing and Monday auxiliary assistance) eventually lead to route adjustments that would tend to make Monday and Tuesday an eight-hour day, while building in a great deal of undertime on the three lighter days of the week. In the long run, this option could prove to be more costly than Saturday casing.

As an added option, the task force did an analysis of the cost of Saturday casing. Theoretically, the casing of mail on Saturday (that is providing auxiliary assistance) is no more costly than the same casing on any other day of the week. Although it has some practical problems, Saturday casing can be provided by using part-time flexibles and full-time reserve carriers to provide assistance on four or more routes. The full-time reserve carriers could then be scheduled for four weekdays for leave and other absence coverage.

Impact on Service

As the discussion on operational impacts indicates, the most feasible and practical operating assumptions tend to have the greatest negative impact on service levels. The operating assumption with the least impact on service (delivering all accumulated mail no later than Monday) still means that mail formerly delivered on Saturday will be delivered on the next business day (Monday), or from a customer perspective, two days later than it is delivered now. Although Saturday receipt of mail does not appear to be a high priority to many Americans, we cannot ignore the fact that, over time, customers will realize that the delivery time for mail (especially preferential, important mail) has increased and that service has been degraded. This realization is bound to grow simply because our current service failures, if they occur on the wrong day, (i.e., Friday), will be magnified with the addition of two calendar days to the delivery time. Although these service failures constitute a small percentage of the total mail volume, failure to deliver a third-day standard letter on a Friday will automatically result in an elapsed time of six days between sender and receiver.

The service effects for the most operationally practical assumption (delivering all accumulated preferential mail on Monday, while load leveling all non-preferential mail throughout the week) are no different for preferential mail than that experienced under the most service-oriented option; but fully 68 per cent of all non-preferential mail will be delivered at least one day later than it is now. It should be stressed again that the 68 per cent level assumes average volumes and relatively ideal conditions. A much greater impact, in terms of later delivery and significant delays, can be expected when volumes are above the average or on routes that are experiencing "average" volumes but are presently overburdened because of growth or other factors.

It is extremely difficult to adequately describe, in quantitative terms at least, the possible impact that five-day delivery would have on levels of service to various classes of mail. It is a known fact that our customers, and particularly second- and third-class mailers, generally value consistency of delivery over speed of delivery. Historically, the Postal Service has had great difficulty in measuring how well we meet our customers' requirement for consistency of delivery. Because of this difficulty, we have measured our performance in terms of speed of delivery; for want of a better method, the task force has followed the same path. However, it should be emphasized that, for many mailers, a longer delivery time does not necessarily mean poorer service. If consistency or assured delivery can be achieved, service could, in fact, improve.

Service will not, however, improve by itself simply by converting to five-day delivery and programming a certain amount of curtailment. The fact is that some of our customers now believe that service to some third-class and second-class mail is erratic; to the extent that this is true, adding programmed curtailment to our present system, without changes, would simply mean later erratic service.

Impact on Customers

Since 1977, a series of studies have been conducted by Customer Services Department and other groups, both postal and non-postal, concerning attitudes toward, and impact of, the curtailing of Saturday delivery on both business and household mailers. Specifically, two business studies have been completed (and one more is currently under way), and five household studies have been completed.

In addition, a non-projectable survey of businesses was recently completed by the Customer Services Department, utilizing both headquarters and regional personnel.

The household studies completed to date clearly indicate that while the elimination of Saturday delivery is acceptable to the largest proportion of the general public, the public is not overwhelmingly in favor of it. A recap of the studies follows:

ELIMINATION OF SATURDAY DELIVERY

		Approve	Disapprove
Decision Making Information	1977	45%	35%
Opinion Research Corp.	1977	46%	37%
Opinion Research Corp.	1980	40%	35%
Survey Research Center	1977	56%	44%
A. C. Neilson	1977	79%	17%

The 1977 data, while relatively consistent, does display some variation. This is due, in part, to differences in wording for the actual questions. In December 1977, the Gallup Organization of Princeton, New Jersey, analyzed the four studies and concluded that the results of the four surveys done up to then were not significantly different.

Interestingly, however, the studies also indicate that a large majority of households (80-83 per cent) cannot think of a reason why they would have to receive mail on Saturdays. Of those that could specify a reason, most mentioned the receipt of checks, bills and important letters or packages (pre-scheduling of check mailings and the provision of special services such as Express Mail and Special Delivery would tend to resolve these

issues). In addition, the most recent study (Opinion Research, April 1980) indicates a dramatic shift in the public's reaction to a price/service trade-off. In 1977, 42 per cent of the public favored keeping the price and reducing service. By 1980, a majority, 56 per cent, favored keeping the price and reducing service. Such a shift, obviously, may be accounted for by today's economic problems; and thus may prove to be a temporary reaction. In any event, it can only be considered as an indication of public support if five-day delivery were introduced at some time other than a period when rates were being raised.

Another important finding of the household studies is that a large proportion of the public feels that it is very to extremely important that First-Class Mail be delivered in three days. The reduction of one delivery day, adding as it would one day to the transit time for a significant portion of First-Class Mail, could negatively impact the Postal Service's ability to meet this public expectation as often as we do now.

The conclusions to be drawn from the household studies are that while there is not overwhelming public support for the elimination of Saturday delivery (perhaps because of the difficulty in perceiving any direct economic benefit), there would be little negative impact on the majority of our customers as recipients of mail. Alternatives (such as Express Mail, Special Delivery, post office boxes, etc.) exist to alleviate substantive concerns. Nonetheless, some recipients will be adversely impacted and greatly inconvenienced.

Studies of non-household mailers (business, primarily) indicate about the same level of acceptance or approval of five-day delivery as those conducted with households. The most likely industries to indicate a low level of approval are publications, department stores, mail order, book/record publishers and direct mail. Non-profit mailers found non-delivery to businesses on Saturday acceptable, but, strongly opposed elimination of Saturday delivery to households.

When faced with the service/cost trade-off question posed in the 1977 surveys, businesses generally favored maintaining service at the expense of higher rates -- an opinion divergent from that indicated by households. The business study currently under way (preliminary results due about June 6), may show a change in business attitudes; nonetheless, there are strong indicates that businesses are more concerned about maintaining service levels than are households. In a recent informal and statistically non-projectable survey of business customers by Customer Services personnel, of those customers having suggestions about how to limit the effect of five-day delivery (100 of 321), fifty-seven per cent of them made suggestions about maintaining present service levels (specifically, the Postal Service should "Meet/maintain/upgrade current service standards and/or make sure all post offices have a 'clean house' on Friday/Monday").

With respect to possible diversion of mail volume from the Postal Service, the Decision Making Information (DMI) study of 1977 concluded "that a change to 5-day delivery is very unlikely to result in any noticeable defection . . ." However, in the recent informal survey by Customer Services, 22 per cent of mailers indicated they would divert volume to private carriers. The claimed diversion and the volume by class accounted for by the 321 mailers contacted is shown on the table below:

Estimate of Volume Diversion from Current Mailing
(Based on 100% Sample of 321 Mailers)

Mail Cl.	Total Reported Mail Volume (million pieces)	Claimed Diversion Volume (millions)	%
First	3,901.95	2.34	.06
Second	6,530.72	393.15	6.02
Third	19,374.31	2,063.37	10.65
Fourth	458.64	8.54	1.86
Total	30,265.62	2,467.40	8.15

As can be seen from the table, the mailers contacted represent about 30 per cent of our total volume. Significantly, they represent about 70 per cent of total third-class volume. If the claim of 10.6 per cent diversion for third-class is in any way accurate, the revenue loss to the Postal Service would approximate $220 million (10 per cent of FY 1979 third-class revenue). However, as the informal survey was qualitative in nature, and given the loaded nature of the diversion question, the claimed diversion amounts should be treated cautiously and considered a "worst case" scenario.

Nonetheless, as many mailers claim they schedule mail for delivery on Saturdays (over 50 per cent of them, mostly direct mail advertisers, department stores and mail order firms), the possibility exists that eliminating Saturday delivery could open a share of our market to competitors.

Conclusions to be made from the available evidence are that (1) the mere absence of Saturday as a delivery day will not greatly affect the majority of our business mailers; (2) those that will be affected are mailers of second- and third-class (some non-profit, advertising and newspapers and magazines); and, (3) that if the elimination of Saturday delivery is accompanied by any degradation of service (longer delivery times or more inconsistencies in delivery), the likelihood of volume diversion will be significantly greater.

Note:

Diversion potential is quite difficult if not impossible to accurately predict without some form of "test market." Studies only predict behavior based on respondent reaction to "what if" questions. Mailers facing no difficulty or those able to adjust their mailing patterns are likely to provide unbiased estimates of diversion -- usually nil. Mailers unable to "adjust" feel they may be forced to divert -- if at all possible -- and are then prone to some degree of exaggeration resulting in an over-estimate of total potential diversion. Studies other than market tests tend to predict a "worst case" situation. A close examination of the type of mail (checks, advertising, etc.) being delivered to households on Saturday might be helpful in further evaluating the extent of possible diversion. It should be noted, too, that diversion can be both relatively immediate and long term. That is, once a niche is opened for non-competitive delivery, the competition can build on that foothold to gain week-day business or to further challenge the Private Express Statutes.

RECOMMENDATIONS

Limiting delivery service to five days per week has some distinct public benefits to the rate payer and tax payer, chief among which are the monetary cost savings (approximately $528 million the first year if implemented now; with wage inflation, the savings will approach and exceed $1 billion annually in future years), and a substantial reduction in gasoline usage. The gasoline reduction will aid the Nation's efforts to reduce its dependency on oil; and the cost savings will mean greater productivity (more pieces of mail delivered per work hour) and a smaller cost per piece to mail users.

Offsetting these major advantages are the possibilities that (1) users who want delivery of messages, publications or merchandise on Saturday will use, and foster the growth of, competitive private delivery firms (which may offset the fuel reduction by the Postal Service); and (2) that a reduction in delivery days will adversely impact the levels of service provided to mail on the remaining delivery days. Both possibilities could eventually result in a loss of volume and postal revenue. Possibility (2) can be avoided or minimized with proper planning; possibility (1) is not really controllable.

In the absence of reliable information about the effect on our market share and the extent of the potential revenue loss if Saturday is eliminated as a delivery day, the Task Force is

reluctant to endorse five-day delivery as being in the best interest of the Postal Service and its customers. The potential cost reduction is extremely attractive; but it is clear that the risks to service and future postal revenues are high.

We recommend, therefore, that a change to five-day service should not be implemented without allowing for a 12 to 18 month planning period. During this 12 to 18 month period, the Postal Service should (1) attempt to quantify the amount of volume diversion that will occur strictly because of non-delivery on Saturday and verify that the resulting revenue loss will not offset the savings of five-day delivery; (2) make a complete review, from a marketing and product design perspective, of non-preferential mail; and (3) institute service and operating procedure changes that will insure that the implementation of five-day delivery will not negatively impact service levels. The need for adequate lead time cannot be over emphasized. Without the time to plan intelligently and to make major systems changes in the way we now handle non-preferential mail, the risk of degrading service and losing substantial volumes of third-class mail is extremely high.

In the event that circumstances dictate implementation of five-day delivery sooner than 12 to 18 months, the Task Force strongly urges that it be made effective no earlier than February 1, 1981. Initiating five-day service in October or November (traditionally high third-class volume months) or during the Christmas period would not only cause severe service problems, but would create excessive overtime in delivery units at a time when excess employees are being reassigned or laid off. Volumes during this period (October to mid-January), might even force delivery on Saturdays in order to "catch up" and thus serve to bolster claims that five-day delivery is not feasible.

In addition, the task force identified approximately 30 specific issues relating to five-day delivery. The major ones are summarized below.

a) The Task Force recommends that the new non-delivery day be Saturday.

b) As a non-delivery day, the service profile for Saturday should be:

. City Delivery	No
. Rural Delivery	No
. Firm Holdout Service	
- On Carrier Case	No
- At Distribution Point	Yes
. P. O. Box	Yes
. Caller Service	Yes
. General Delivery	Yes
. Retail Service	No Change*
. Special Delivery	Yes**
. Express Mail	Yes**
. Mailgram	No
. Will-Call (Signature Mail or Packages)	Yes

c) Other than the loss of one delivery day and the inevitable addition of one day of transit time to some mail, levels of service on the remaining delivery days must not be allowed to deteriorate from present levels, as perceived by the customer. This will require some major systems changes in the way we handle third-class mail and improvements in our performance in meeting second and third day First-Class Mail standards.

- Service standard (ODIS) achievements for second and third day First-Class Mail must be reliable and consistently met. This is necessary if we are to avoid having too large a proportion of First-Class Mail taking five to seven days for delivery. However, given our present transportation system, significant improvements will be extremely difficult.

- The whole concept of service standards for non-preferential mail must be reexamined. A system providing consistency and assured delivery is more in line with our customers' needs. Changing deposit patterns alone is inadequate -- we may need incentives to shift delivery of non-preferential mail to Wednesday through Friday.

- Third-class handling from origin to destination must be examined, as destinating points will need more than two days to process and deliver non-preferential mail.

*Some 5500 locations are now closed on Saturday.
**Now available only in city delivery territory.

d) Saturday newspapers should be available for pickup at post offices for those customers who want them.

e) Consideration should be given to instituting Special Delivery and Express Mail service in rural delivery areas, both to provide an alternate means of delivering Saturday newspapers and to provide consistency to the levels of service available in urban and rural areas.

f) Real Estate and Buildings and Procurement procedures relative to the facilities aspect of the installation of lockboxes should be streamlined to allow quick response to increased lockbox demand.

g) A public and business mailer awareness campaign should be launched, both to prepare them for the change, and educate mailers on the need for changed deposit patterns for important mail such as checks.

THE PRESIDENT'S COMMISSION ON THE UNITED STATES POSTAL SERVICE

SUMMARY OF FINDINGS REPORT

FROM

A CONSUMER SURVEY ABOUT THE U.S. POSTAL SERVICE

CONDUCTED BY

Black & Veatch

Peter D. Hart Research/American Viewpoint

under

CONTRACT GS-10F-0291M

REQ 03-RQ-01739, DELIVERY ORDER 001

June 9, 2003

Executive Summary

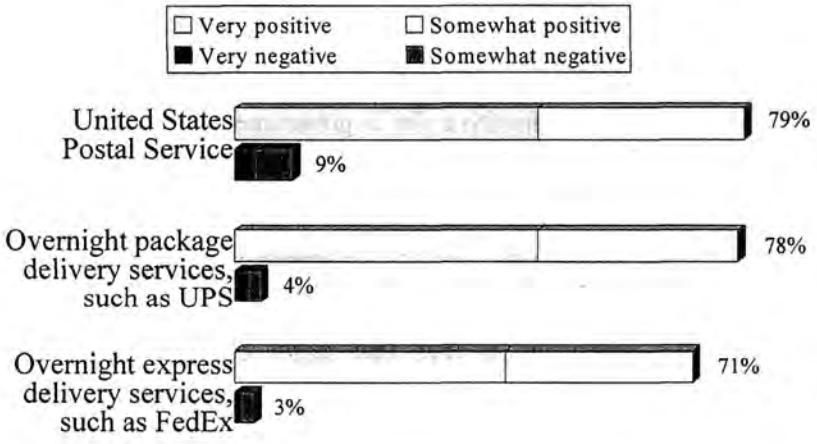
On behalf of the President's Commission on the United States Postal Service (USPS), Black & Veatch, Peter D. Hart Research Associates, and American Viewpoint conducted a nationwide consumer survey among 760 adults. The survey was formulated by members of the President's Commission, Black & Veatch, Peter D. Hart, and American Viewpoint, and was designed to examine Americans' attitudes toward the USPS, including perceived strengths and weaknesses, various proposals to reform the USPS business model and its operations, and the value placed on its current products and services, as well as the potential value of new ones. Respondents were selected at random according to standard national sampling procedures, and interviews were conducted by telephone on May 19 and 20, 2003. The margin of error is ±3.6% for results among all adults and larger among certain subgroups

Americans have an overall positive attitude toward the USPS, citing neither substantial weaknesses nor a desire for major reforms. A majority express the need to keep technology and business practices up to date, and to maintain the focus on the USPS core competency of delivering letters and small packages. Current USPS services are valued at about the same level as those provided by private competitors such as UPS and Federal Express. This report summarizes the survey's top-level findings. When available, the survey provides trend data from surveys conducted in November 1994 and June 2001.

Most Americans View USPS Favorably

Americans have an overwhelmingly favorable view of the United States Postal Service, as four in five (79%) say that they feel positive about it, including 47% who say very positive. Fewer than one in ten (9%) have negative feelings about the USPS, and 12% are neutral. Midwesterners are the most favorable (89% very or somewhat positive), whereas those in the western United States feel slightly less favorable (71%). Unlike all other delivery services and methods tested, the United States Postal Service has 100% name recognition among Americans.

Most Have A Favorable View Of The U.S. Postal Service



Today, more Americans think that the quality and reliability of the USPS generally is getting better (36%) than think it is getting worse (16%). A plurality (46%) say that the USPS is neither better nor worse today than it was five years ago. These results are substantially more positive than are the results from the same question asked in 2001 (28% getting better, 15% getting worse) and 1994 (24%, 22%).

USPS on Par With the Competition

Americans' feelings toward the USPS are statistically identical to their feelings toward package delivery services such as UPS (78% positive, 4% negative), and on par with their feelings toward overnight express delivery services such as Federal Express (71%, 3%). UPS enjoys a somewhat higher name recognition (7% do not know enough to rate) than does Federal Express (14%). Less familiarity with Federal Express may explain its slight favorability deficit.

Nearly half (46%) of Americans say that the USPS is doing about enough to stay competitive when taking into account the challenges it faces from other package and letter delivery services. An additional 13% think that USPS is doing more than enough to compete. Despite these encouraging reports, 29% say that it is not doing enough to stay competitive,

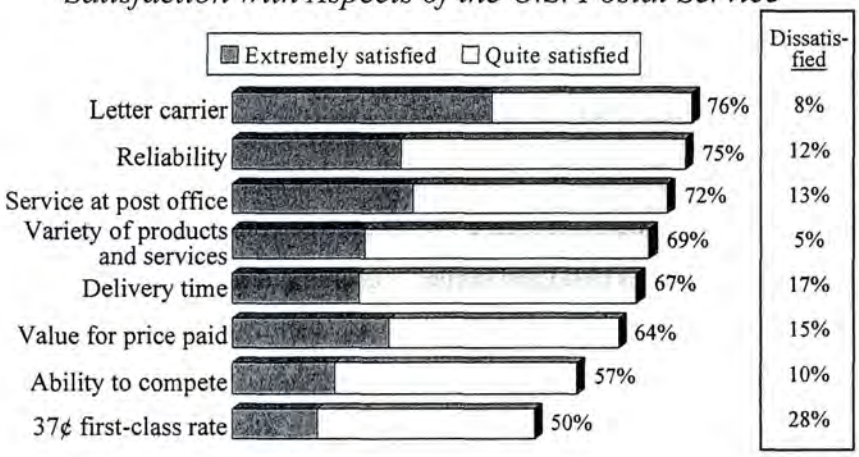
Rates Evoke Some Concern, but USPS Personnel Receive High Marks

More than a quarter (28%) of Americans are dissatisfied with the 37-cent cost of mailing a first-class letter, however, fully half (50%) report that they are satisfied with the current stamp price. Moreover, by 64% to 15% Americans say that in terms of the price they pay, they are satisfied with the value they receive from the USPS. Postal rates are Americans' most prominent concern, as no more than one in five Americans expresses dissatisfaction with any other tested aspect of postal service performance.

In other areas of customer satisfaction, United States Postal Service personnel receive particularly high marks. Overall, nearly three-quarters of Americans are satisfied with the quality of service they receive from their local Post Office. This is an eight-percentage-point increase from 64% in 1994. Additionally, 76% of Americans are satisfied with their letter carrier, including 43% who are extremely satisfied.

Rates Are A Concern For Some, But Personnel Get High Marks

Satisfaction with Aspects of the U.S. Postal Service



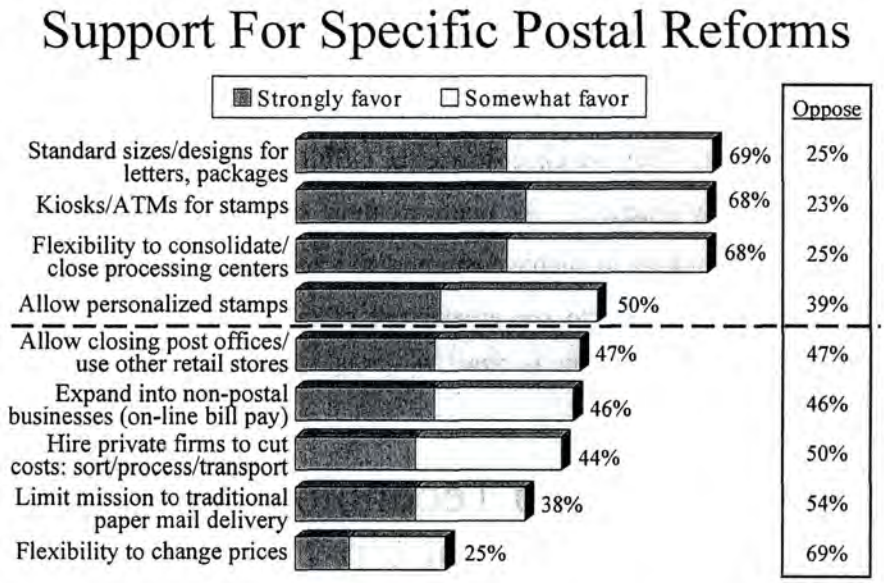
Majority Oppose USPS Privatization

Although some Americans want change within the USPS, most clearly think that privatization is not the answer. By 67% to 24%, Americans reject transforming the United States Postal Service into a private company. A remarkable 53% strongly oppose the proposal, which is an unusual level of intensity.

In fact, Americans express little interest in having private entities conduct even part of the Postal Service's mail delivery tasks. On a zero-to-ten scale, on which a 10 means that change should be the Postal Service's top priority, and a zero means that the Postal Service should not spend too much time making changes in an area, only 18% rate developing a system to allow private companies to deliver packages and letters into home mailboxes as an eight, nine, or 10. Just one in three (33%) place a high priority on using private companies to sort, process, and transport mail in cases in which doing so might help improve service or control costs. Similarly, more than a third (37%) place a high priority on postal services delivered through a wide variety of retail locations, such as drug stores and grocery stores.

When the question shifts to emphasize controlling costs, support rises slightly, but still fails to attain a majority. By 44% to 50%, the public rejects a proposal to require the USPS to reduce its costs by hiring private companies to assist in the sorting, processing, and transporting of mail. More than a third (35%) of the public strongly opposes such a requirement.

By 71% to 24%, the public also strongly opposes proposals that would allow private companies to use home mailboxes for commercial mail delivery. The largest proportion (47%) of those opposed fear that it would increase the volume of commercial mail they receive. Other concerns include identity theft (19%) and homes' becoming less secure (17%).



Public Supports Raising Rates to Avoid Subsidies or Cuts in USPS Service

Americans display a noteworthy dose of realism when considering choices for changing the USPS. For example, by 55% to 33%, they would rather see an increase in the cost of stamps than a decline in the level of services provided by the USPS. On another question, Americans reject a proposal to bring back postal subsidies by 54% to 36%. The public clearly believes that the USPS should continue to operate at its current service levels and raise rates as needed to maintain its budgetary self-sufficiency.

Americans reject a proposal to give the USPS greater flexibility to change prices by eliminating the requirement to receive approval from the postal regulator, however. While the public chooses rate increases over reductions in services, privatization, and subsidies, they believe that current checks on rate increases should remain in place.

Modern Technology and Business Management Cited As Top Priorities

Americans desire few changes in the USPS, and the ones they do advocate are in its technology and business management. They are eager to see the USPS embrace new technologies and adopt the most modern business practices. As many as three in five (59%) rate as a high priority seeing the USPS use technology to enable customers to track mail through the postal system, and more than half (53%) would like to see greater use of modern business practices to improve management and efficiency. By 68% to 23%, Americans endorse an acceleration of kiosk and ATM use for postage distribution.

Americans also endorse a proposal that would give the USPS greater flexibility to close or consolidate mail-processing centers when doing so increases the overall efficiency of operations. Nearly seven in 10 (68%) respondents support the proposal and just a quarter (25%) oppose it. It is important to remember, however, that agreement with this type of business-oriented decision in principle does not guarantee against opposition to closing specific local facilities.

Overall, few people see enough problems within the USPS to endorse major changes, especially when it means any sacrifices on the part of the public. Just one-third (35%) of

Americans place a high priority on using the most efficient means of mail delivery when it is suggested that this means using curb-side delivery or cluster boxes, and only 31% place a priority on requiring greater standardization of packages, letter sizes, and weights to improve service and control costs. When this requirement shifts to the Postal Service rather than customers, however, its popularity improves dramatically (69% favor, 25% oppose). In other words, the public favors standardization as a cost cutting measure by the USPS, but does not see it as a priority, and support is greater when the burden for standardization lies with the USPS rather than the customers.

Another popular proposal, although somewhat less so, is providing customers with an opportunity to send first-class mail using personalized stamps. These personalized stamps may include a personal message, a picture, or a graphic printed from a computer. Half (50%) of the public supports this proposal, 39% oppose it.

Several other proposals fail to win majority support. In keeping with the public's rejection of postal privatization, equal proportions of Americans support (47%) and oppose (47%) a proposal giving the USPS authority to close Post Offices when similar services can be provided through grocery stores, shopping malls, and other retailers. The public also is divided evenly over whether the USPS should expand into non-postal businesses such as electronic bill paying over the Internet (46% support, 46% oppose). Finally, despite the public's hesitation to see the Postal Service expand, Americans also reject a proposed requirement for the USPS to limit its mission to the delivery of traditional paper mail (38%, 54%).

Conclusions

The overall findings point to a public that is largely satisfied with the current performance of the United States Postal Service. It sees a need for the USPS to continue to improve and modernize to keep up to date with technology and private-sector competition, but it does not see any need for a major overhaul, sweeping changes, such as complete or partial privatization, or even changes that would become an inconvenience to customers in any way. Lacking any sense that the system is broken, the public evaluates most proposals from the simple basis of whether it would add up to a convenience for them personally.

The only clear exception to these narrow self-interest-driven poll responses is funding, for which the public clearly would prefer increases in stamps and other rates to any subsidies that would add pressure to the federal budget deficit. The public generally supports the idea that modern business practices can increase management efficiency as long as customers are not burdened and the appropriate checks and balances remain in place to evaluate any changes in pricing.