

USA Today Editorial Page
December 8, 1999

FLY LIKE AN EAGLE, STING LIKE A BEE?

By Ruth Goldway

An average of 300,000 times a day, Americans use a \$3.20 Priority Mail envelope. Here's a little secret: In many cases, they could get better service using a 33-cent stamp. The message of the catchy U.S. Postal Service "Fly Like an Eagle" ads, which seem ubiquitous during this holiday season, is that Priority Mail is a fast, reliable bargain service. But that's misleading, as I've discovered as a U.S. postal rate commissioner. The fact is, for letters and light packages (less than 13 ounces) that don't travel long distances, the Postal Service's ordinary first-class mail is as fast or faster than priority - and far cheaper.

An agency set up by Congress to act in the public interest should advertise not just that Priority can be a good deal at \$3.20 (which it is when compared to private firms' rates), but also that it offers consumers even better deals. If the Postal Service would only focus more on providing such accurate, understandable information, consumers would more often choose its less-expensive first-class and Parcel Post options.

But then, of course, the Postal Service wouldn't make as much money - and there's the rub. So it uses its expensive "Fly Like an Eagle" ad campaign to encourage many Priority Mail consumers to pay a jarringly high markup of up to 870% for a brand-name product over a generic equivalent.

As you might guess, the Postal Service doesn't go to great lengths to explain that markup. Instead, consumers find differing and often inconsistent product descriptions at post offices for first-class mail, Parcel Post and Priority Mail, the services they use most. These displays usually state that Priority Mail starts at \$3.20 and takes one to three days for delivery. First-class usually is described as taking just as long and costing 33 cents for the first ounce and 22 cents for each additional ounce, up to 13. Parcel Post, the displays say, takes three to eight days, with "economical rates based on distance." That small print is hard to read. But most of these signs either do not state these are average delivery times - not guaranteed ones - or they do so in almost unreadable print. In fact, Priority Mail overshoots its three-day outer limit at least as often as first-class mail does. TV ads for Priority Mail may admit to "average" times, but only in fine print. The Postal Service's Web site buries the "average" information in a lawyerly footnote. Its rate calculator offers more accurate information. For short to medium distances, it says, first class is a good substitute for priority. In fact, ordinary Parcel Post can provide service roughly comparable to Priority Mail. Local Parcel Post delivery averages 1.8 days, substantially less than the three-day "minimum" the Postal Service advertises. Between 151 and 300 miles,

average delivery is about three days. For lighter packages, Parcel Post and Priority cost about the same, but at higher weights, Parcel Post is much cheaper. The only priority "bargain" is the colorful, free, Priority-labeled box.

Protecting consumers - or the bottom line?

The Postal Service should make consumers' choices simpler - by, for example, eliminating priority rates altogether for letters to local ZIP codes where first class is as fast or faster. Ironically, the Postal Service repeatedly has rejected the Postal Rate Commission's recommendations for a lower first-class rate for consumer bills that are paid by mail, which are inexpensive to process - because, the service says, consumers would be "confused" by having two first-class rates.

Because it is a semi-government agency, no regulatory government agency oversees the Postal Service's multimillion-dollar advertising campaign. So its protected status allows it to fudge its answers - and even tell you it's doing so. Its Web site has a lengthy disclaimer that begins: "The Postal Service does not warrant or represent that the information is accurate or reliable." What confidence would we have in a private-sector-business ad containing the same language?

In addition, the Postal Service is exempt from lawsuits for negligent handling of the mail and insulated from competition for much of its product line - just the kind of competition that most likely would drive it to give better information to its customers and promote its least-expensive, best product.

Congress is considering a complex restructuring of the Postal Service that would subject it to the same protective laws that restrict its private-sector competitors, including false advertising laws. Most of us who follow these issues agree that we need to govern better how the Postal Service communicates to the public and subject it to truth-in-advertising laws.

Consumer advocate Ruth Goldway, a former mayor of Santa Monica, Calif., has been one of the five U.S. postal rate commissioners since April 1998.