

# CHICAGO AREA MAIL SERVICE

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HEARING  
BEFORE THE  
COMMITTEE ON  
GOVERNMENT REFORM  
AND OVERSIGHT  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED FOURTH CONGRESS

SECOND SESSION

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OCTOBER 11, 1996

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# CHICAGO AREA MAIL SERVICE

FRIDAY, OCTOBER 11, 1996

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT,  
*Chicago, IL.*

The committee met, pursuant to notice, at 10:12 a.m., in the Dorothy Day Room, DePaul University Library, Chicago, IL, Hon. John M. McHugh (chairman of the Subcommittee on the Postal Service) presiding.

Present: Representatives McHugh, Hastert and Flanagan.

Staff present: Judy McCoy, chief clerk for the committee; Dan Blair, staff director for the Subcommittee on the Postal Service; Steve Williams, professional staff member; and Denise Wilson, minority professional staff.

Mr. MCHUGH. Good morning. We will call the meeting to order and make opening statements. You may take your seat, Congressman.

Mr. YATES. Thank you.

Mr. MCHUGH. Good morning.

Mr. YATES. Good morning, Mr. Chairman.

Mr. MCHUGH. How are you, sir?

I do apologize for the lateness. Some of the schedules were a bit further behind than others, but I do want to welcome you all here this morning to this Committee on Government Reform and Oversight field hearing on mail service in the Chicago area.

As chairman of the Subcommittee on the Postal Service, I certainly welcome this opportunity to chair this full committee and I appreciate particularly Chairman Clinger's concern about this important issue. And as I noted earlier to Congressman Yates, I particularly want to thank Congressman Flanagan, who has shown a great deal of concern to me personally on this issue, and it is indeed at his invitation particularly that we are here this morning. We are also joined by another great Congressman from the Chicago area who is a member of the full committee, Congressman Hastert.

Chicago is noted for many things, most of them very, very great, but unfortunately, and rightfully or wrongfully, the least of it is its mail service. When the Postal Service released its external first class delivery scores recently, Chicago ranked at the bottom of the barrel, with an on-time performance rating of just 80 percent.

The purpose of this hearing is to explore the reasons for this last place finish and to hear from our colleague, Congressman Yates, in the Chicago area; also, Postal Service representatives and customers, regarding the level of postal service received by the residents of this great city.

Our first panel, as I mentioned, will be the distinguished gentleman from the city of Chicago, Congressman Sidney Yates, who has a long and outstanding record of showing interest and concern on postal issues and we look forward to his comments in just a moment.

Mr. YATES. Thank you.

Mr. MCHUGH. The second panel today includes Postal Service Great Lakes Regional Vice President J.T. Weeker and Chicago Postmaster Rufus Porter, who is, as I understand it, accompanied by the plant manager for the Chicago Processing and Distribution Center, Mr. David Fields.

These gentlemen oversee postal operations for Chicago and their testimony should highlight the reasons for this city's recent last place finish and what steps the Service is taking or contemplating to correct those problems.

I understand the Postal Service has recently completed its move into a new General Mail Facility in downtown Chicago, and while this facility has been plagued from the outset with cost overruns, the Postal Service relates that it has opened according to schedule and is now fully operational.

I know the committee looks forward to your testimony, gentlemen, and hearing the initiatives that you are putting forward to improve mail service to the residents of this great city of Chicago.

The final panel will be comprised of Postal Service customers. On behalf of the committee, I want to welcome Mr. Allan Bennett, Mr. Donald Gutowski and Ms. Carolyn Hill and Ms. Diane Winter. And we look forward to their testimony, relating their experiences with the Postal Service here in Chicago.

I hope our witnesses today can enlighten the committee regarding the reasons for the historically poor mail service in Chicago. It was 30 years ago this month that operations in the Chicago Post Office ground to a halt for 3 weeks, resulting in a devastating disruption of mail for the entire midwest. Reportedly this incident precipitated congressional hearings which stated the case for postal reform. In turn, the President appointed the Capitol Commission whose recommendations served as the basis for the Postal Reorganization Act of 1970.

History has a tendency to repeat itself and once again, Chicago is the focus of a congressional oversight hearing regarding the quality of mail. Significantly, the subcommittee I have the honor of chairing wrapped up a series of four legislative hearings on the 1970 Reorganization Act and our proposal to reform it. Hopefully, today's session will help concentrate and propel the issues surrounding postal reform to the forefront for consideration by the next Congress.

With that, I would gladly yield to our most immediate host, the gentleman from the great city of Chicago, Mr. Flanagan. Welcome.

Mr. FLANAGAN. Thank you, Mr. Chairman. I welcome you and the committee and its members to our great city of Chicago, and thank you for having this important field hearing here in Chicago on area mail service. I also want to extend a warm welcome to those of you who will be testifying today, especially my distinguished colleague from Chicago, Sidney Yates, who has long been a leader in the effort to bring better postal service to our area.

I am greatly disturbed by the latest Price Waterhouse quarterly report released in late September which shows that while overnight delivery of first class mail has substantially improved nationally, Chicago mail delivery service has declined. Out of 95 cities that were tested, Chicago has the lowest percentage of first class delivered mail overnight. It is curious that large urban cities, such as Los Angeles and New York, had improvements, but Chicago did not. While Los Angeles had 91 percent of its first class mail delivered overnight, New York reached 90 percent delivery rate for the first time. Chicago has declined from an 86 percent rate in the third quarter to 80 percent for the fourth quarter.

Until now, great progress has been made in improving mail service in our area. Because I receive more complaints about postal service than any other issue, I frequently meet with Postmaster General Marvin Runyon and his district manager and Postmaster Rufus Porter to discuss postal problems and ways to overcome them. After the Price Waterhouse report was released, I thought it would be even more appropriate, however, for the committee to review the situation in Chicago firsthand.

I have been told the world's largest postal service is entering the age of cyberspace. It is bringing forth a new Internet Service, the Web Interactive Network of Government Service, called WINGS, that will bring many improvements. It will allow, for example, a retired veteran who fills out a change of address form to be routinely routed not only to the U.S. Postal Service, but also the DVA and the Social Security Administration. It is working on a digital signature so that the Postal Service will be assured that people who sign their names on documents are who they say they are and there is no forgery. With all the new technological advancements the Postal Service is making, it is upsetting that the first class postal service in our area has declined by 6 percent. It is certainly a contradiction of the overall new national record of 91 percent on time delivery service for first class mail.

This hearing today gives Members of Congress from our area an opportunity to review, in Chicago, postal concerns in their districts. It gives the Postal officials an opportunity to explain why Chicago delivery service has declined so dramatically in the past quarter and what the Postal Service is doing, and intends to do, about it. It also gives the local Postal consumer councils the opportunity to present their perspectives on postal matters.

Again, I welcome everyone to this hearing and I eagerly look forward to the testimony of our witnesses.

Thank you, Mr. Chairman.

Mr. MCHUGH. I thank the gentleman.

If this hearing were being run by seniority, the gentleman on my right would be chairing it. He has graciously allowed me to sit in in my capacity as subcommittee chair. Denny Hastert, both in his work on the committee and as the Deputy Majority Whip in the House of Representatives, does outstanding work and I just appreciate his being here today and his interest on this matter. And I'd be happy to yield for any comments he may wish to make.

Mr. HASTERT. Very briefly, Mr. Chairman. I appreciate you coming out here from New York and holding this hearing. I also want

to greet our certainly dean of the Illinois delegation, Sid Yates, for being here today and testifying.

I think we all have an interest in trying to find out what is the best way to deliver postal services to our constituents. Certainly that is the intent of Mr. Flanagan in asking for this hearing.

At a time in our history when some people clamor to turn the whole post office over to the private sector, we have to think back to the history of our country and the role that our government has played in delivering mail and delivering information to people for not just decades but certainly for centuries. We want to make sure that the post office is functional, it is upgraded, it works and some of the news and some of the reports that we get back, especially the rating in Chicago going from an 86 percent rating to an 80 percent, is not good news. But we want to look today in seeing how we are moving forward, what the improvements are and what the outlook for the future is. We also want to make sure that we do not have people getting special treatment, that we also have fair treatment for all people who use the post office, that some people are not committing fraud on the postal system and others have to pay that subsidy to allow those people to get by with the fraudulent behavior that they bring about.

So this should be an interesting hearing today. I appreciate the participants, and Congressman Yates, we certainly appreciate you being here today.

Thank you very much. I yield back.

Mr. MCHUGH. Thank you, Congressman Hastert.

With that, let me get right to our first witness. And Congressman Yates, I appreciate your patience. As both Congressman Flanagan and I alluded to in our opening statements, when you talk about people who have expressed concern about mail delivery in the Chicago area, you always have to start with Sidney Yates, because as you go through the history of what has occurred on this issue, his name is always amongst those who are at the table expressing concern and trying to prod favorable responses for better mail service for the entire city, and we are particularly pleased he has been gracious enough to join us here this morning.

Congressman, welcome and thank you for your patience.

#### **STATEMENT OF HON. SIDNEY R. YATES, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS**

Mr. YATES. Thank you, Mr. Chairman, and thanks to the other members of the committee for permitting me to testify here today. I wanted to say what a pleasure it is to testify in this beautiful library building of DePaul University. DePaul was a constituent of mine until the last redistricting and I was proud to have it in my district and proud of the work that DePaul does.

Mr. Chairman, my statement, as I understand it, was made a part of the record—

Mr. MCHUGH. Without objection.

Mr. YATES [continuing]. And I will not read my statement, nor testify from it. I have made some notes, and I must say in all honesty, Mr. Chairman, that I cannot help thinking of the statement attributed to a famous British critic and philosopher Dr. Samuel Johnson, when he was told of the second marriage of a friend and



he said, "Well, this is indeed the triumph of hope over experience." I must say that my appearance here today, with due respect to the committee, is more hope than anything else, because experience tells me that very little, if anything, will be done. I am going to offer some suggestions and perhaps will be persuasive enough so that in your report, which I take it will be made to the next Congress rather than to this one which is now adjourned, something may be done there.

This is my third appearance before a Congressional Committee to complain about the poor service of the Postal Service. The first two hearings were before subcommittees of the House Committee on Appropriations and actually I was a member of one of those subcommittees at the time of the first hearing.

The first hearing gave us the opportunity to examine then Postmaster Tisch and I examined him and told him about all the complaints that we had, customers complaints of days without delivery, mail delivered weeks after it was sent, mangled magazines and publications, publications that do not arrive, rude and unresponsive employees, undelivered first class mail, forwarding orders that are never honored, letters dumped on hallway floors and frequent misdelivery of mail. As a matter of fact, one postal route in my district was so plagued by misrouted mail that neighbors began to drive their children around the route collecting the misdelivered mail and distributing it themselves to the proper addresses.

The second hearing that I attended to complain about the Postal Service was the same subcommittee of the Appropriations Committee, but I was no longer a member. And that was a committee that heard then Postmaster Frank, the successor to Mr. Tisch. And he agreed, like Mr. Tisch did, that the complaints were well justified and again nothing happened. He said he would try to remedy it, but nothing happened.

And then in 1995, I had the opportunity to examine Mr. Runyon, who is now the Postmaster, before the Subcommittee on Appropriations for the Treasury, Post Office—with the name Treasury, Post Office and General Government Appropriations.

And I said to Mr. Tisch on page 36—and Mr. Chairman, I ask unanimous consent that my testimony beginning on page 36 and ending on page 47 may be made a part of the record, as part of my testimony.

Mr. MCHUGH. Without objection, so ordered.

Mr. YATES. Thank you very much, Mr. Chairman.

[The information referred to follows:]

**TREASURY, POSTAL SERVICE, AND GENERAL  
GOVERNMENT APPROPRIATIONS FOR  
FISCAL YEAR 1995**

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**HEARINGS**

BEFORE A

**SUBCOMMITTEE OF THE  
COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED THIRD CONGRESS  
SECOND SESSION**

**SUBCOMMITTEE ON THE TREASURY, POSTAL SERVICE, AND GENERAL  
GOVERNMENT APPROPRIATIONS**

**STENY H. HOYER, Maryland, *Chairman***

**PETER J. VISCLOSKY, Indiana**

**GEORGE (BUDDY) DARDEN, Georgia**

**JOHN W. OLVER, Massachusetts**

**TOM BEVILL, Alabama**

**MARTIN OLAV SABO, Minnesota**

**JIM LIGHTFOOT, Iowa**

**FRANK R. WOLF, Virginia**

**ERNEST J. ISTOOK, JR., Oklahoma**

**C. WILLIAM SMITH, ELIZABETH A. PHILLIPS, DANIEL A. CANTU, and JENNIFER MUMMERT,  
*Staff Assistants***

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**PART 2**

**UNITED STATES POSTAL SERVICE**



Mr. RUNYON. Through the efforts of our employees, we have been able to extend our traditional three-year rate cycle and keep our rates stable for a record four years.

In preparation for the eventual increase in 1995, we have filed a new rate proposal with the Postal Rate Commission. I am pleased to report that this 10.3 percent across the board increase is the smallest ever sought by the Postal Service, 2 percentage points below the rate of inflation and half of what the mailing industry was expecting just last fall.

A measure of our proposal's economy and fairness is the strong support it has received from a wide cross-section of mailers.

By extending our rate cycle an extra year and seeking a 32 cent stamp in 1995 instead of the previously expected 35 cent stamp in 1994, we are saving postal customers \$14 billion through 1996. That includes, by the way, a savings of approximately \$300 million to the Federal Government in postage and other fees.

The Commission now has up to 10 months to consider the proposal before making its recommendation to our Board of Governors for implementation next year. This moderate increase, if approved, will help us continue to grow our business, which is vital to maintaining our competitiveness.

We appreciate the opportunity to discuss our appropriations request for 1995 and we remain committed to improving our performance each day and delivering quality service at a competitive price for the American people.

Thank you, Mr. Chairman.

Mr. VISCLOSKY. Mr. Runyon, thank you very much.  
Chairman Yates.

#### CHICAGO MAIL SERVICE

Mr. YATES. Thank you, very much, Mr. Chairman, for the opportunity to come before this committee and to ask questions this morning of the Postmaster.

Mr. Postmaster, I come here with a feeling that I think was best exemplified in the very famous statement by Sir Samuel Johnson, when he was told about the second marriage of a friend, he considered it to be the triumph of hope over experience, and I have come here today, after having interrogated Postmaster Tisch, one of your predecessors, about the poor quality of Postal Service in and throughout my district in the city of Chicago.

I had spoken to another predecessor of yours, Mr. Frank, Mr. Anthony Frank, and I come here today to ask you questions because the situation has not really improved in that area of Chicago. Is this going to be an exercise in futility? I hope not.

With respect to Postmaster Frank, I asked the GAO to investigate the Postal Service in my district and this was back in 1990, and the GAO found that there were numbers of complaints that had been made about deliveries in Chicago. There was the complaint about slow delivery, not in time, daily. There was a complaint about no delivery, not for days. Mail was lost. There was a complaint about delivery delayed for days and for weeks.

For example, I was one of the victims myself because I had mailed a letter containing several checks to my son. It was delivered to him 60 days later. There is the complaint about delivery

frayed, about envelopes that are opened and about envelopes that are torn, some destroyed. There are complaints about bags of mail that are thrown into the lobbies of the high rises, and I am sure you read the report in the Chicago newspapers about the bag of mail that was being burned under the bridge in Chicago.

There are 10 years of complaints. So that my complaint now doesn't come as anything new to the Postmaster. We have been making these complaints. I have been making them directly to the Postmaster for years. It is almost an impossibility to get any kind of relief

#### CHICAGO SERVICE PROBLEMS

For example, with respect to the GAO investigation. On March 15th, 1990, I am sure you have a copy of this letter in your files. Postmaster Frank wrote a letter to the GAO in which he said that—I will quote parts of that and I will be glad to make the whole letter available to you, "These problems are already well documented. Regrettably, past efforts to resolve them have not been achieved, have not achieved their intended results. As you rightly note"—this is GAO—"problems stemming from rapid population growth, facility constraints and deficient addressing practices are not corrected overnight, but I want you to know, I want you to know, a serious effort is now under way to put these problems behind us once and for all."

And Postmaster Frank in the letter talked about creating specific milestones and time frames for their completion. He would name individuals by title, names, that had primary responsibility for each milestone in the action, and others by title and name with supporting responsibility for each of the identified major action stops.

And they said regional personnel will monitor this milestone schedule and more importantly the impact of these changes with quarterly reviews with the Chicago Postmaster and her staff.

At that time it was Postmaster Norfleet. Lincoln Park is where the major number of complaints came from, and this is what Postmaster Frank said, additional short range measures being taken, additional letter carriers and supervisors have been assigned to the Lincoln Park station to ensure all routes are delivered daily. Effective March 12th, 1990, mail processing units in the Chicago post office will take up seven additional large volumes. In addition to normal street supervision, a street management team of delivery supervisors has been established to interact with customers and address teams are working with the management and residents of large apartment buildings. We have published brochures. The liaison person has been designated to work with our mail processing operations. Station management are signing off on a daily log sheet to ensure mail is properly color coded, and a number of other suggestions.

I don't have the time to go into them this morning, but I will make them available to you. The bulk mail acceptance operation at Lincoln Park will be transferred to Logan Square to relieve congestion and make more space available for carrier operations. A route adjustment package has been approved for Lincoln Park which will

consist of eight new routes, three for Graceland which will be implemented.

Then you are going to have a new carrier facility which will serve the customers in Graceland under construction and which will relieve the overcrowding at the Lincoln Park station, and a new Graceland finance station facility will be located on North Ashland Avenue.

Then long-range facilities, they said, construction of a new 23,000 square foot Rogers Park station in 1993, construction of a new 23,000 square foot post office in Skokie, Illinois. All other postal facilities in Mr. Yates' district are projected to be large enough to meet the needs of these customers for the next five years. No new facilities for Lincoln Park, which was the worst of the districts.

In his letter to Postmaster Frank, this is what GAO said: "Because of the relative frequency of complaints from Lincoln Park station customers, we focused on that station in our discussion of the complaints with local Postal Service officials." They told us that the major cause of mail delivery problems is that too much mail is being moved through too small a facility. That has been true of Lincoln Park for the last 15 years and there are no new facilities being made available in Lincoln Park.

It was said that the Graceland facility, so-called new Graceland facility, would relieve the congestion. Graceland came in. We said it was—because of the size of it, it was obsolete before it was completed and that proved to be true. Graceland was overwhelmed almost immediately. And listen to this, Mr. Postmaster, about seven years ago—this is GAO speaking—the Postal Service began looking for a site for a separate facility in the Graceland area for zip code 60657.

In 1985 according to Postal Service's central region, real estate acquisition division, the Postal Service signed a five-year lease on a vacant lot for \$175,000 a year for that purpose. Nothing was built on the lot. Total lease payments of \$875,000 were made. After signing the lease, the Postal Service decided the lot was unsuitable because it had been used as a garbage disposal site.

And after evaluating over 100 other sites, the Postal Service has decided to convert the site of a vehicle maintenance facility into a needed carrier station and construction of the Graceland facility was begun, scheduled to be completed in October 1990.

#### CONGRESSIONAL OVERSIGHT

How do I get your attention? How does a Member of Congress to whom constituents turn get the attention of the Postmaster General? I tried to get the attention of Postmaster Tisch and he said, you are right, Mr. Yates, your complaints are right. I tried to get the attention of Mr. Frank. Mr. Frank said the complaints were justified. Then it died after Mr. Frank left office.

Now, I am trying to get your attention. Under law, in spite of what our constituents think, Members of Congress have no power at all to require you to do anything. Can I require you to put additional carriers in any station? I can't, can I?

Mr. RUNYON. I am not aware that you can.

Mr. YATES. The law was changed in 1970 to deliberately avoid any possible political interference with the operation of the Postal

Service. The Office of the Postmaster General was rescinded. There is no Postmaster General in the Cabinet now. I for one think that mail service is important enough to justify having you as Postmaster General in the Cabinet. Mail service in America deserves that.

We have been writing letters to the Postmaster day after day after day as scores of complaint letters come in. The latest incident, which I think you will appreciate, while I shouldn't bring politics into this discussion, it has some bearing on the problem. This has been a tough winter and in order to avoid the possibility that weather conditions would make it impossible to fly to Chicago to vote on March 15th, my wife and I applied for absentee ballots.

The Board of Election Commissioners in Chicago mailed the absentee ballots to us on March 8th, or March 10th. I came back to Washington the day after the primary election on March 15th. I arrived on March 16th and on that date the primary ballots were delivered to us in Washington, first class mail. It shouldn't take that long to get to Washington.

I have complaints about your priorities. Priority mail has a priority of 30 days according to people who have used it in Chicago and have spoken to me about priority mail. I find myself using Federal Express more and more when I want very important papers delivered to my district office in Chicago. It gets there the next day. Priority mail doesn't.

How do I make an impact on you? How do I get you to build a new facility in Chicago that will accommodate the increases in mail about which you spoke? In the old days before it was changed, as a Member of the Appropriations Committee, I could offer an amendment for construction of a postal facility in my district which the Postal Service would then put its carriers in and its delivery people in to deliver the mail.

I can't do that now. I can't come to this committee and ask for an appropriation for the construction of a postal facility. I am getting complaints now from new parts of my district, the suburbs. They are making the same complaints that I have been making. In addition, there are additional comments about the employees not being courteous, about calling up the stations and not being able to break through to the stations. The lines are busy, or nobody answers the phones.

In the instances where they are able to break through on the telephone, they are told, well, there is nothing we can do about that now.

You sit in Washington here. You went to Chicago on Wednesday. You heard some of these complaints yourself. Are you impressed? Is there anything you can do? What can you do to take care of a situation like this? Mr. Tisch said he would do it. Mr. Frank said he would do it and now, Mr. Runyon, I come to you and ask you, after 10 years, what can you do to alleviate the conditions in Chicago?

#### CHICAGO SERVICE IMPROVEMENT INITIATIVE

Mr. RUNYON. We are committed to fix the situation in Chicago. I will say that to you first thing. Now, you can rely on past experi-

ence and pass that by if you want to, but that is a commitment I am making.

Mr. YATES. What is your commitment?

Mr. RUNYON. To fix the service in Chicago.

Mr. YATES. Okay, that is in the record.

Mr. RUNYON. Yes.

Mr. YATES. Okay.

Mr. RUNYON. And I said that in Chicago at the Finance Committee meeting also that I attended for two-and-a-half hours Monday night. Joe went up there Wednesday and stayed there.

Mr. YATES. Joe, that is Mr. Caraveo for the record.

Mr. RUNYON. Mr. Caraveo went there on Wednesday and stayed there through Monday, and looked at all of the situations that are there. Now, Mr. Caraveo is quite competent in the Postal Service. He has been here—43 years, Joe? He has been in the Postal Service 43 years.

Mr. YATES. He was under the old system.

Mr. RUNYON. That is right. He was under the old system.

Mr. YATES. When we could get something done.

Mr. RUNYON. Hopefully you can get something done now.

Mr. YATES. Yes, except you are insulated and isolated from us except for the opportunity that this affords to come and shake hands with you over the table and voice our complaints to you.

I hope I have, with my limited amount of eloquence, been able to transmit to you the quality, the poor quality of the service in our district.

Mr. RUNYON. I think you have spoken very eloquently about what the needs are and what you have been promised in the past, and you have told me some things that I didn't know, and I will go back and be very glad to have your

notes.

Mr. YATES. I will be glad to make available to you any of the papers that I have and from which I have quoted.

#### POSTMASTER GENERAL'S VISIT TO CHICAGO

Mr. RUNYON. I would like to have those so that I can go back and try to find out a little bit about what has been done. But the fact is, we need to fix it now. We can't continue to keep going back and say, why didn't that happen.

The fact is, it didn't happen, and I accept that and I accept the fact that the service there is not what it should be. It needs to be improved. We will be looking at facilities.

When I was in Chicago Monday, I did several things. One of the things that I did was to visit with employees at the Chicago Post Office and there were people from all around Chicago from outlying stations, and I heard some things from them that have to be fixed also, some working conditions that they have at their local station that impact them differently than what you are talking about, but on the other hand, it contributes to morale and how they feel about the Postal Service and about what we are doing.

Mr. YATES. May I just interrupt you for just a second? I shouldn't interrupt you because you are making promises to me. I asked you what can we do to do it? I have concluded that there is only one

thing I can do, I think, to try to persuade you if that becomes necessary to do what you are promising to do now.

The basic legislation, as Joe will tell you, provides that you have to deliver mail to my constituents in an economic and efficient manner at reasonable rates. I contend that you are not following the law. You are not delivering mail efficiently, courteously, on time.

If that is true, do I have a right to go to Attorney General Reno and ask her to sue you to make you do it?

Mr. RUNYON. I would have to ask my general counsel about that.

Mr. YATES. I don't know the answer to that either, but to me that is the only alternative that I have is to have somebody require you to meet the standards of the law. I can't require you. I don't know who can require you. It may be that the Attorney General is the only one, if she sees that the law does give me standing to bring this suit or my constituents standing to bring suit, particularly a constituent whose mail has been delayed, sending him the bills from his credit service that requires him then as a result to pay interest, an advanced fee because it hasn't been delivered on time.

She is the only avenue that I can think of at the present time that would permit me to do it, and I don't know whether I can, and that will require some legal research. I would like to know what the attitude of your counsel is on that possibility. But you go ahead. I didn't mean to interrupt you.

[The information follows:]

Does the Attorney General have the authority to sue the Postal Service over the failure to provide effective, efficient mail service?

The Postal Reorganization Act sets forth a number of general duties for the Postal Service to perform as it carries out its functions. Among these is the duty to "provide adequate and efficient postal services at fair and reasonable rates and fees." 39 U.S.C. 403(a). These legislative directions provide guidance to the Postal Service on how it should operate. They do not create a basis for a lawsuit to force the Postal Service to provide a specific level of service in a specific situation.

The Postal Service is taking action to ensure that customers in Chicago receive the level of service that we are charged to provide. We have asked you and the customers of Chicago to work with us to resolve the service problems you have identified. We believe that this approach, not litigation, is the path to a successful result.

Mr. RUNYON. I am trying to remember where I was. I went—as I say, I went to Chicago on Monday. I visited one of our stations, the Lakeview station.

Mr. YATES. You get to Lincoln Park?

Mr. RUNYON. I didn't realize Lincoln Park was uppermost in your mind.

Mr. YATES. Lincoln Park is no longer in my district really, but because I have been doing this for years, people from Lincoln Park still write to me, and I am advancing their causes as well as those who live in Lakeview and in Uptown and in the other areas that are in my district, including the suburbs.

Yes, go ahead.

Mr. RUNYON. So I did go there. I talked to employees. I did meet with Senator Simon and Senator Carol Moseley-Braun at the Lakeview station and talked to them about some of their concerns. I did—we did have a press conference there which was a very interesting press conference held on the workroom floor.

We then talked to various employees so that the media could be a part of that so they heard what our employees had to say. I then



went with Senator Simon to the Chicago Club to attend a meeting of mid-America leaders where he was to speak, and he asked me to come and explain some things about the Chicago postal service, and so I did that and took questions from those people who were there.

I then met with our union leaders and our association leaders from Chicago to get their input, comments, and questions. Then I met with employees from around Chicago, not just from one post office but from several of them, probably 100 employees who came to the Chicago office, and we talked to them and I took questions from them, and they made comments to me about how they felt about what was happening in Chicago.

I then met with Ali Altman, who was present at Alderman Burke's office.

Mr. YATES. Alderman Smith, I assume, Marianne Smith.

Mr. RUNYON. Marianne Smith was there, yes, and she had some comments and she had to leave, but there were other aldermen there. I then met with the Chicago Sun Times editorial board.

Mr. YATES. I didn't know that.

Mr. RUNYON. To get their input and comments and questions. I met with them for about an-hour-and-a-half, I think. Then I went to the town hall meeting. It is the first town hall meeting I have been to in Chicago. It was a very interesting meeting. I heard complaints for two-and-a-half hours and—

Mr. YATES. I have heard them for 10 years.

Mr. RUNYON. I am sure you have. I am sure you have, and I am sure that you heard some of the same complaints that I have heard.

Mr. YATES. I am sure I did.

#### CHICAGO TASK FORCE

Mr. RUNYON. But anyhow, I did that. Today, we are getting 21 managers from around the country to go to Chicago and work with the stations that are having the major problems and we will work them around to where they get to all the stations in Chicago before we stop.

They are not there to really assess the problem and determine what needs to be done. They are there to do something, starting now.

Mr. YATES. What do you mean by a manager? Twenty-one managers. Manager of what?

Mr. RUNYON. These are people who are postmasters and office managers that work in that same type of a job somewhere else in the country. They are capable of understanding what needs to be done and how to do it in that environment. When I say that environment, I am talking about a post office or a station.

Mr. YATES. These are members of the Postal Service?

Mr. RUNYON. Yes, sir.

Mr. YATES. Will we have the same result that we had when you had SIT teams reviewing the situation? You had SIT teams appointed by Postmaster Mason. You know what happened there. May I read to you for a moment here what happened?

Mr. RUNYON. Sure.

Mr. YATES. As you know, an SIT team is used in many postal districts as a crack trouble-shooting group to pursue complaints from customers, survey stations that appear to be the persistent targets of a large number of customer complaints.

The Postmaster appointed them, these SIT teams, and they came back and they reported to the Postmaster about deplorable conditions in Chicago, and then in mid-October, it is my understanding the Postmaster, Mr. Mason, called the team into one of his conference rooms and told them, one, he had been getting an increased number of complaints from station managers about the nature of the SIT reports.

He said they were too harsh, they were too critical. And, two, he wanted the SIT members to ease up, to work more with station managers instead of being so critical. When one member of the press asked the Postmaster why he was doing this, he said he didn't remember whether he had done that.

So your station managers are members of your Postal Service. Now, are they going to give you an objective report or are they going to be a little more sympathetic as your Postmaster General was? I want you to have that much in mind as to what happened recently in Chicago with SIT teams that were supervising the situation and said, yes, the complaints are valid. Okay.

Mr. RUNYON. Yes, I am aware of the SIT team that was there.

Mr. YATES. And they are now being disbursed by the Postmaster?

Mr. RUNYON. Yes.

Mr. YATES. That doesn't make sense to me. I hope it doesn't to you, because if there are investigators, the impression I have and the public has is they are being disbursed because they were critical of conditions in the post office.

Mr. RUNYON. Well, the group we are putting in now is going in there to make sure that changes take place, not to find what the problems are, but to fix the problems. That is what this group is about, and it is a little different than to assess what is the problem. These people are going to walk into a station and work with the existing manager to straighten that up.

I think at this point I would like for Joe to talk about this a little bit. Joe, my chief operating officer.

Mr. YATES. I will be glad to talk to Joe in one minute. Suppose your team of station managers comes back and says what GAO said, namely that facilities are too small to handle the amount of mail that is there. Suppose the team says you need a new facility there. Will you give us a new facility?

Mr. RUNYON. The team is going in there to fix the problem and what that takes is what they will do. Now, it may mean that some routes would move from one unit to another unit where there is more space.

If it is necessary that we have additional facilities, then we will fix the facilities. We will do what we need to do.

#### CHICAGO FACILITIES

Mr. YATES. Well, we know you need a new facility in Skokie and the Postal Service has been promising that for a number of years. It was supposed to have been finished, I think, in 1996. I wish you would look into that.

Niles had complaints and they asked me to see whether I could persuade you to have a new postal area number, and you gave it to them, and their complaints pretty well ceased. Am I taking too much time?

Mr. VISCLOSKY. No, Mr. Chairman.

Mr. YATES. But it was determined that Skokie needed a new facility and it was agreed that they should have one. I assume that Joe would go ahead and put it in. But go ahead, Joe.

Mr. RUNYON. Well, okay.

Mr. CARAVEO. I did visit Lincoln Park and Don Clark is the station manager there. I also visited—

Mr. YATES. You said Don Clark.

Mr. CARAVEO. Yes. That is the name of the station manager. I also went out to Graceland. But, first of all, let me say, Lincoln Park appeared to me that it was badly overcrowded.

I understand that they took about 40 routes out and put them in Graceland, and I don't know how they could have been in Lincoln Park before because Lincoln Park as it is now is overcrowded. What we are going to do is look—

Mr. YATES. And Graceland is too.

Mr. CARAVEO. Graceland is in a little bit better shape. They have sufficient space I think to do the job. They did do some moving around. They moved the parcel post operation.

I think Graceland is going to be in pretty good shape. My main concern right now is Lincoln Park. As far as the facility is concerned, we are going to have to assess the amount of volume that the carriers are taking out on their routes and make sure that all of the appropriate mechanics are in place to see that the carriers are doing the right things at the right time.

#### CHICAGO TASK FORCE

This task force that Mr. Runyon talked to you about, this team that we have going in is going to be headed by somebody from Washington. The station managers and the postmasters from throughout the country, are not going to be reporting to the Postmaster at Chicago.

The service improvement team reported to the local people. We hope to get a more objective look and better recommendations from a group of managers from a different area. But we are going to be working with the Chicago people.

Their job is to stay there until it is either fixed or procedures are in place that satisfy us that correct decisions have been made as to what is to occur. They are not going to sit there and write a report and leave.

Mr. YATES. No matter how long it takes?

Mr. CARAVEO. Whatever it takes. We are going to leave them there or have somebody else there to follow up, but they are going to be part of this team.

Mr. YATES. This is throughout the ninth congressional district?

Mr. CARAVEO. This is true in Chicago and we will spread it out.

Mr. YATES. It is not only the lake front. It is also the suburbs that we have been getting complaints from, and I think perhaps while you were in Lakeview and the other areas, you weren't aware of what the situation was in the suburbs.

I would ask you all to include the suburbs in your study.

Mr. CARAVEO. I went to Uptown—no, I didn't go to Skokie. I went to Uptown, Rogers Park. I went to Dearborn—I stayed in Chicago under Mason's area but—

Mr. YATES. But the suburbs are part of the problem area. I hope that you will also include them.

Mr. CARAVEO. We will expand it based on what the team sees and the quality of the mail that is provided there.

Mr. YATES. Take my word for it that complaints are coming in from the suburbs. I am getting those complaints and I will forward them to you. The point I am trying to make is that I hope you are not limiting your survey to this area only if indeed the suburbs also require attention.

Mr. CARAVEO. We will expand it wherever it indicates is necessary.

Mr. YATES. Okay. It may be necessary in Evanston and it may be necessary in Skokie and some of those other areas. So just make a note of it, and if you can go to those areas, I am sure they will include that in them.

Mr. CARAVEO. I will check on Skokie as soon as I get back.

Mr. YATES. Thank you, very much. Does that conclude your statement, Mr. Caraveo?

Mr. CARAVEO. Yes, sir.

Mr. YATES. Thank you very much, I appreciate that. Mr. Postmaster, I don't know whether you want to say anything else. I have made my pitch. You have promised a remedy. When are you going to put the station managers in there?

Mr. CARAVEO. They are in there today. They are getting in there today.

Mr. YATES. Are they going to stay in there from today on?

Mr. CARAVEO. Yes. For instance, we have a Postmaster from Columbia, South Carolina, the Postmaster of Milwaukee, and an operations analyst from the Hawkeye District in Iowa. We have people from all over the country who are delivery specialists and overall managers.

They are not confined to just delivery, because we are concerned about the retail. We are concerned about all the interactions we have with customers there. We are going to put a 1-800 number there. We are going to look at a lot of things that have come to our attention.

Mr. YATES. I don't know how large Hawkeye, Iowa is. I suspect it isn't as large as my district in Chicago. Will they be aware of the unique problems an overcrowded urban community has?

Mr. CARAVEO. We want to make sure we have people experienced in delivering to high rises, and bring people with different experiences to bear, but overall it is going to be run by somebody from right here in headquarters, but he is not going to be in headquarters. They are going to be in Chicago.

Mr. YATES. I agree with that. I am grateful that you are moving some of your supervisory help to Chicago in order to deal with the problem. I think that has to be done.

## CHICAGO INTERIM REPORT

Mr. VISCLOSKY. Mr. Chairman, if I might interject for a moment. I have always thought setting some time frames and time goals are very important in these types of circumstances.

I might suggest, if the gentlemen would agree that 90 days from today's date, that the subcommittee receive a communication in the form of a letter or memorandum relative to——

Mr. RUNYON. I would be glad to.

Mr. YATES. It may be an interim report.

Mr. RUNYON. Of course it is. I guarantee you it will be an interim report because this situation in Chicago did not happen in 90 days. This didn't happen in 90 days.

Mr. VISCLOSKY. So we will concur with the gentleman from Illinois so that we don't have to wait another 12 months to see how——

## CHICAGO MAIL SERVICE

Mr. RUNYON. I agree with that. But this situation—you know, if you want to go back to 1966 when it was not under the present kind of a system.

Mr. YATES. It was under Joe at that time.

Mr. RUNYON. It was under you, sir. You were part of the responsibility at that time, right, and the Chicago Post Office totally shut down on the 17th of December and was down for about 14 days and no mail was delivered.

Mr. YATES. I know.

Mr. RUNYON. And it is not that bad today. There are people who say it is almost that bad, but the fact—the point I am trying to make is, this didn't happen overnight in Chicago. It didn't happen overnight in the Postal Service.

We have got to change the culture of the employees of the Postal Service, the management, employees, everybody that works there, and that is over 700,000 people. That is our task, and it is not going to happen overnight.

Experts and management consultants say it will take seven years to change that. We are not going to wait seven years to fix Chicago.

Mr. YATES. I have your assurance that this team is going to be there until this problem is solved, and I accept that. I want to know whether my staff in Chicago, for example, can call members of that team or is there somebody we can call?

Mr. RUNYON. Well, they can talk to anyone in the team they want to. The leader of the team would be the person they probably should contact first.

Mr. YATES. Where will they find them?

Mr. RUNYON. We will have to give a number to you. They are there today. They will be in Chicago.

Mr. YATES. Have them call my office in Chicago and establish a liaison so we know if we have any questions or comments, we can communicate with them.

Mr. RUNYON. Right.

Mr. YATES. I would appreciate that.

Mr. RUNYON. And if you feel that the situation is not developing the way you think it should, then I would like to know about that.

Mr. YATES. I will call Mr. Runyon, or Joe, or your colleague whose title I don't know.

Mr. RUNYON. He is our chief financial officer who is sitting here wondering what all this is going to cost.

Mr. YATES. As a matter of fact, I am too, but I have an assurance that you are going to improve it.

Mr. VISCLOSKY. Before the Chairman leaves, I would express on behalf of Mr. Hoyer and all of the Members of the committee that while all Members on both sides of the aisle are always looking forward for the opportunity and courtesy to sit with other panels within the full Appropriations Committee, it remains an extraordinary opportunity and event.

Mr. Yates's appearance with us today is extraordinary because his complaints are. Mr. Hoyer, all of us today, all of the Members of the committee take those complaints very seriously.

I might add parenthetically, as a Representative of Gary, Indiana, considered by Mr. Rostenkowski as part of the Chicago delegation, that without being light about it, I also believe that what happens in Chicago has a direct impact on my district, whatever it might be.

And so what does happen for good or ill in the city of Chicago is very important to this Member very personally.

So we would expect an interim report on the theory that we can continue to follow up throughout the year to make sure that the situation is resolved to everyone's satisfaction.

Mr. YATES. Good, thank you. I want to thank the Postmaster General and Joe and the finance chairman there. I want to thank Mr. Lightfoot and the other Members of the committee for the opportunity to come in here and to meet with you and have this kind of a dialogue with you.

I look forward to our mutual cooperation in the near future and constant attention to the correction of these complaints.

Thank you very, very much.

Mr. RUNYON. Thank you, Mr. Chairman.

Mr. YATES. I have got to go to my own committee. Thank you, very much.

Mr. VISCLOSKY. Mr. Lightfoot, Mr. Istook, I appreciate your patience.

Mr. Lightfoot, I recognize you for your opening statement as well as any questions you might have.

#### MR. LIGHTFOOTS OPENING STATEMENT

Mr. LIGHTFOOT. Thank you, Mr. Chairman.

Mr. Runyon, welcome, sir. Maybe to tag on to what Mr. Yates was talking about, any time you talk about a rate increase, I suspect that the discomfort level goes up a little with people who may have a complaint that they want to lodge.

In our area, it seems that the complaints that we receive have to do a lot more with policy changes and so on than it does with their local carriers or local postmasters. For the most part, in Iowa at least, or my area, the local postmasters and local carriers are thought well of and do a good job, but the complaints we get tend

Mr. YATES. Well, I said to Mr. Runyon at that time, "You know, Mr. Runyon, how do I get your attention, how does a Member of Congress, to whom constituents turn, get the attention of the Postmaster General? I tried to get the attention of Postmaster Tisch, he said 'you are right, Mr. Yates, your complaints are there.'" Nothing happened.

I tried to get the attention of Mr. Frank, Mr. Frank said the complaints were justified, and then it died after Mr. Frank left office. And now I am trying to get your attention.

Under law, in spite of what our constituents may think—and they think that Members of Congress do have some influence with the post office, but you and I know that we do not have. I tried to get the attention of Postmaster Tisch—well, excuse me, strike that, Mr. Chairman.

"Now I am trying to get your attention, Mr. Runyon. Under law, in spite of what our constituents think, Members of Congress have no power at all to require you to do anything. Can I require you to put additional carriers in any station? I cannot do that, can I?" And Mr. Runyon said, "I am not aware that you can."

The law was changed in 1970, as you pointed out, Mr. Chairman, to deliberately avoid any possible political interference with the operation of the Postal Service, and that is when our troubles really began. The office of the Postmaster General was rescinded. "There is no Postmaster General in the Cabinet now, and I for one think that mail service is important enough to justify having you, Mr. Runyon, as Postmaster General, in the Cabinet. Mail service in America deserves that."

Then I go on to say, "How do I make an impact on you, how do I get you to build a new facility in Chicago that will accommodate the increases in mail about which you spoke? In the old days before the law was changed, as a member of the Appropriations Committee, I could offer an amendment for construction of a postal facility in my district, which the Postal Service would then put its carriers in and delivery would be improved."

Well, again, I talked to Mr. Runyon, I have complained to his people time and again and nothing happens.

Political interference? Well, we are not allowed to interfere at all now and the result—I have the impression that the Postal Service pays so little attention to us.

I think Chicago's Postal Service is being grossly mismanaged. You yourself, Mr. Chairman, referred to the enormous cost overruns in the construction of the main post office building, over \$100 million in cost overruns. And with that expenditure of \$100 million went our hopes in the local areas of the northside for the construction of any new local post office. The Postal Service said it just did not have the money to do anything like that.

You are going to have to amend the act, Mr. Chairman, as I see it. You are going to have to reopen the postal service to listen to our complaints and to do something to remedy it. You have got to make it possible for Congressmen to do something to correct the deficiencies. We needed a local post office for years in my district—as a matter of fact, the post office bought a lot—Postal Service bought a lot in my district for the purpose of constructing a facility on it, and then about 6 months later announced that the location

was bad and it should not have bought the lot. So that is where that died. We still need that postal facility.

Then the village of Skokie in my district now has been asking for a small post office in its district for a long time, and I thought that I had the consent of the post office to put it in there, and so far nothing has been done.

So again, I urge the committee to provide the opportunity—oh, I should tell you before I go into my final statement—that I even thought of suing the post office. As I remember the law—as I remember, the law of 1970 requires the Postal Service to provide adequate and efficient service at reasonable rates. That is not being done. It is a violation of the law. So I called Attorney General Reno. And I said, “Madam Attorney General, I would like you to sue the post office. I do not know how else to do it and I think you are the attorney for the post office and I guess that would create a conflict of interest. But how else do we get an enforcement of the Congressional mandate.” And Attorney General Reno told me, “Well, that is a very interesting point.” But so far, nothing has happened on that. I am thinking again of asking the Attorney General to go forward and possibly the local district attorney in this area, to sue the post office, if there is not a conflict of interest because they are the attorneys for the Postal Service, to sue the Postal Service because they have not followed that mandate.

But insofar as this committee is concerned, I assume you are going to make a report. You are going to find out from my constituents about the terrible quality of the Postal Service. The only intervenor that my constituents have and yours have and every Congressman has, the only intervenor is a Member of Congress. And all we can do is come before a congressional committee like this, interrogate the postal people. I am convinced they forget it almost immediately. Last time I interrogated Postmaster Runyon, he appointed a committee of local postmasters from around the country to review the Postal Service and make a report. Nothing happened. We are back to where we were before that report was issued.

So, finally, Mr. Chairman, I urge you in your report to press for a remedy that would permit Members of Congress to have some influence on the Postal Service again so that they can render the kind of service for their constituents that they should have.

Thank you, Mr. Chairman.

[The prepared statement of Hon. Sidney R. Yates follows:]



Written Testimony  
of Congressman Sidney R. Yates  
before the Government Reform and Oversight  
Subcommittee on the Postal Service  
October 11, 1996

Mr. Chairman and Members of the Subcommittee on the Postal Service, thank you for the opportunity to submit testimony about an issue of great importance to the District I represent, and the City of Chicago. As I am sure you are aware, Chicago has been heavily criticized for its poor mail service for years.

Many residents of my district claim they have the worst mail delivery service in the entire city. When the Postal Service recently announced the results of its survey which shows Chicago's first-class mail delivery to be the slowest in the country, you can imagine their displeasure.

I have personally devoted an inordinate amount of my time and that of my staff to bringing the continued problems to the attention of the Postal Service. My files are filled with customer complaints. This year alone, my Chicago office received well over 150 complaints.

These complaints document the Chicago Post Office's disgraceful performance record which encompasses the full range of postal services. My constituents have told me time and again that their complaints to the local stations not only remain unresolved, but have frequently gone unacknowledged as well.

Customers complain about days without any delivery, mail delivered weeks after it was sent, mangled magazines and publications that do not arrive, rude and unresponsive employees, undelivered first class mail, forwarding orders that are never honored, letters dumped on hallway floors, and frequent misdelivery of mail. One postal route in my district was so plagued by misrouted mail that neighbors began to drive their children around the route, collecting the misdelivered mail and distributing it themselves to the proper address.

Chicago is no stranger to national attention directed to the sorry state of our mail service. In 1994, the overnight delivery rate for the city was 66 percent, far below the rest of the country. In response to my actions, Postmaster General Marvin Runyon, appointed the Chicago Improvement Task Force. The task force was directed to identify and correct all problems at two specific stations in my district, the Uptown Station and the Graceland Station. Now these same stations targeted in 1994 are again experiencing major breakdowns in service. In 1995, the Uptown facility alone generated an overwhelming number of complaints, and this year the Graceland Station has followed suit.

As you know Mr. Chairman, I am disturbed by the controversy surrounding the cost overrun of Chicago's new Main Post Office in downtown Chicago and I have asked the General Accounting Office to thoroughly investigate this matter. This expensive facility will not benefit the residents of my northside district; since the end of 1995 the Irving Park facility distributes their mail.

It is distressing that the money spent on the new Post Office has taken away funds which could be used to improve local stations. In June of this year, the Postal Service told me it intends to improve on its rising overnight delivery rates by constructing "several" new stations and renovating others around the city. I am not aware of which facilities are intended for improvements, but I am aware of those in need.

In the Uptown/Edgewater neighborhood Alderman Mary Ann Smith has been fighting for years to improve service and replace the old, obsolete Uptown station. When we contacted the Postmaster General's Office they disagreed about the condition and quality of service in Uptown. They told my staff the Uptown Post Office is more than adequate and is, in their opinion, "an underutilized facility". The Post Office does not expect to expend resources above and beyond current operational needs in order to modernize the existing facility or construct a new one.

Uptown is just one example. I have worked with Alderman Bernie Hansen whose ward covers the area served by the Graceland Station. He reports that the local station is completely inadequate to efficiently service his area. This is the same facility studied by the 1994 task force.

I have also repeatedly brought up the need for a new post office for the Village of Skokie. The Village has been promised a new facility several times, but it has never come about because of cost cutting. These cost cutting measures fly in the face of the outrageous overruns associated with the new main facility. During the FY95 appropriations hearing, I asked postal service officials to once again review Skokie's situation. Now, over two years later, Skokie's situation remains unresolved, much like the other postal problems in my district.

Mr. Chairman, I thank you and the members of the Committee for your time and consideration. I am eager to work with you to correct this long standing issue and I am pleased you have recognized a problem that has plagued our city for years. I hope you are as committed as I am to ensuring that mail service in the Chicago area finally meets national standards.

Mr. MCHUGH. Thank you, Congressman Yates. I know that your schedule is busy and we do not want to keep you for too long, but if you have a moment—

Mr. YATES. Sure.

Mr. MCHUGH [continuing]. I would like to ask just a couple of questions, not the least of which the reason would be to get on the record so we can explore those issues with later witnesses.

In your written testimony, as I was reading it, you spoke about the Improvement Task Force, which I believe is the name that came about and was formed in large measure because of the efforts that you put forward.

Mr. YATES. Right.

Mr. MCHUGH. The overnight delivery ratings were about 66 percent at that time. According to the subsequent reports it went up at one point to 86 percent. Did you see that improvement—that is a substantial improvement—in your district, or have we gone back down to ground zero?

Mr. YATES. We are at ground zero now, Mr. Chairman. My constituents tell me that on occasion service had been improved and their complaints were given attention. But that was for a brief period. The Postal Service throws carriers in there for a brief period, then takes them out.

The problem is that our local post offices are overcrowded and it does need a facility. When I complained again to the Postmaster, they said that the Uptown facility in my district is under-utilized. I cannot understand that at all and I think it is probably because they do not have enough carriers there. At any rate, the fact is that as a general rule, the complaints are well justified and continue to pour in. The Postal Service is not really very good.

Mr. MCHUGH. What solves the problem—better facility, a new facility, more people, all of the above?

Mr. YATES. Well, give me a chance to offer an amendment in Congress to seek an appropriation for a new facility.

Mr. MCHUGH. So you would want to see a new facility.

Mr. YATES. I want to be able to do something for my constituents. And of course, the main thrust of the 1970 law was to reduce so-called political interference. I think that Members of Congress do not act politically—sometimes perhaps they do, but they do not act politically. I would not be acting politically except to say that any time we serve our constituents, we are acting politically, if we do things for them.

I want to do something to see that local service is improved. A new facility will do that. And even as a senior member of the Appropriations Committee, I have not been able to offer an amendment, because of the law, as I understand the law.

Mr. MCHUGH. Well, I understand it that way as well.

Mr. YATES. Yes.

Mr. MCHUGH. I think you are right.

Congressman Flanagan, any questions?

Mr. FLANAGAN. Well, I certainly want to thank Sidney for his stirring testimony. Congressman Yates, you have been fighting this a long time and—

Mr. YATES. I will continue to do it too.

Mr. FLANAGAN [continuing]. To have a perspective that runs into decades of personal acquaintanceship with this is amazing.

I have no questions other than to thank you for coming today and thank you for taking the time to appear before the committee with your schedule what it is.

Mr. YATES. Well, I would hope that the committee does take action in its report to make a recommendation that Members of Congress ought to be given the opportunity to serve their constituents to a much greater extent as far as Postal Service is concerned, because Postal Service is so important.

Mr. FLANAGAN. If I may be permitted one more observation. When you gave up DePaul University, I took it up behind you—

Mr. YATES. I know.

Mr. FLANAGAN [continuing]. And I am perfectly pleased—

Mr. YATES. Great university.

Mr. FLANAGAN [continuing]. That Father Minogue has made it possible for us to be here today and the good work that he and his office have done. And I know you are well acquainted with the charitable generosity of the University, and they certainly continue in that vein today.

Mr. YATES. Thank you.

Mr. MCHUGH. Congressman Hastert.

Mr. HASTERT. Well, I just again thank the dean of the Illinois delegation for being here today and I think you have concerns that are shared by all of us. Sometimes we have reservations about jumping into a responsibility that has clearly been taken out of the Congress, but I think you make a very good point. Our key and our goal is to make this service better for the people. There is still accountability that the post office has to Congress and with your good testimony, I think we will pursue that. So thank you very much.

Mr. YATES. Thank you. Thank you, Mr. Chairman.

Mr. MCHUGH. Thank you, Congressman Yates.

The second panel is Mr. J.T. Weeker, who is the Great Lakes Area vice president for operations for the U.S. Postal Service; Mr. Rufus Porter, who is the Chicago area district manager and he is accompanied by Mr. David Fields, who is plant manager of the Chicago Processing and Distribution Center.

Gentlemen, if you want to join us. Before you are seated, we have a rule before the full committee that although Members of Congress are not sworn in for some reason, others are. We probably have that backwards, but if you will raise your right hand. [Laughter.]

[Witnesses sworn.]

Mr. MCHUGH. The record will show that all three witnesses responded in the affirmative. Gentlemen, welcome and thank you for being here. We appreciate your efforts and all that you do. I know that when it comes to the Postal Service, you often must feel like politicians in that you can be the brunt of many jokes, but if it were not so important, not just to the city of Chicago but for the entire Nation, we would not be here and the people would not care. But clearly the delivery of the mail, as Congressman Hastert noted, is one of the most longstanding and still one of the most important functions that this government can assist and provide, and the

work that you do is vital to this Nation. And in that regard, we appreciate greatly your efforts.

We would like to talk a little bit today about the operations here in Chicago and you are the folks we need to hear from. So with that, unless you have an order you would prefer to go to, I would yield to Mr. Weeker for his comments and then we will just proceed.

**STATEMENTS OF J.T. WEEKER, VICE PRESIDENT, AREA OPERATIONS, GREAT LAKES AREA; RUFUS PORTER, CHICAGO DISTRICT MANAGER/POSTMASTER, ACCOMPANIED BY DAVID C. FIELDS, PLANT MANAGER, CHICAGO PROCESSING AND DISTRIBUTION CENTER**

Mr. WEEKER. Thank you, Mr. Chairman, Chairman McHugh, members of the committee, good morning and welcome to the Great Lakes Area.

I am J.T. Weeker, vice president of the Great Lakes Area Operations. I am pleased to be here today to talk with the committee about a subject of great importance to all of us, Chicago's mail service.

Joining me from the Postal Service is Rufus Porter, district manager/Postmaster of Chicago, and David Fields, who is our Chicago Processing and Distribution Center senior plant manager.

The Great Lakes Area is one of the Postal Service's 10 operational areas. We have seven performance clusters which cover most of the States of Michigan, Indiana and Illinois.

This relatively small geographic area generates more business mail than any other area in the country, Mr. Chairman. Our 82,000 employees processed more than 20.1 billion pieces of mail in fiscal year 1996. That is nearly 67 million pieces of mail daily. We serve 25 million customers through our 2,500 post offices, stations and branches. Our revenue numbers are also impressive. This past fiscal year we brought in more than \$5.6 billion in revenue.

Mr. Chairman, our service scores indicate that we are making progress in the Great Lakes Area. We have moved from an average score of 83 percent in overnight delivery last year, as measured by Price Waterhouse, to 89 percent this year. While we have improved, we are committed absolutely to continuous improvement in meeting our customer needs and providing superior service.

Admittedly, we have had postal problems here in the past. As the world's largest mailing community, Chicago and the Great Lakes Area handle a significant portion of this country's mail, as well as mail destinating abroad. While temporary problems arise from time to time, we remain confident and absolutely committed that we will achieve continued improvement in our service and take Chicago to a level of service that it deserves to be.

Looking to the future, we know where we are and we know where we need to go. With the completion of and the move to the new Chicago Central Mail Processing Center, we believe that we have the infrastructure to better handle the large volumes of Chicago metropolitan area mail. This new plant will significantly enhance Chicago's mail processing operations. Rufus Porter will provide you more details in his testimony. In time, we fully intend for

the Chicago Central Mail Processing Center to be known as the world's best and most technologically advanced post office.

Since 1992, we have also made improvements with the addition of our new high tech mail processing plants in the suburban Chicago area. These include the Carol Stream facility, Palatine facility, Fox Valley facility and the Irving Park plants—Irrving Park being a part of the Chicago cluster. Additionally, we have expanded the South Suburban Plant in Bedford Park and the Chicago Bulk Mail Center. And next month, we are adding a new facility for international mail at Chicago and an air mail facility. These facilities give us the strong, long-term foundation to properly process our customers' mail and to give the Chicago metropolitan area the service it deserves and needs.

Our excellent work force in the Great Lakes Area is another resource that will ensure future service success. We are focusing more attention on our people, making improvements in our training and operational processes. These actions are directly contributing to our rising productivity and service performance.

Thank you for this opportunity to share information with you about the Postal Service operations in the Great Lakes Area. While we understand we still have a ways to go to ensure consistently high levels of service for our customers, we will continue our dedication to this goal and build on the progress that we have made to date.

I will be happy to answer any questions at this time or turn the microphone over to Mr. Porter.

Mr. MCHUGH. Thank you, Mr. Wecker. I think probably the best way to proceed is to take all the testimony and then we can have an exchange based on the whole panel.

So with that, I would recognize Postmaster Porter. Thank you for being with us.

[The prepared statement of Mr. Wecker follows:]

**J. T. Weeker**  
**Vice President, Area Operations**  
**Great Lakes Area**

Chairman McHugh, Members of the Committee. . . . Good morning, and welcome to the Great Lakes Area.

I am J. T. Weeker, Vice President of Great Lakes Area Operations. I am pleased to be here today to talk with the Committee about a subject of great importance, Chicago's mail service.

Joining me from the Postal Service is Rufus Porter, Chicago District Manager/Postmaster, and David Fields, Chicago Processing and Distribution Center Senior Plant Manager.

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Looking to the future, we know where we are and we know where we need to go. With the completion of and move to the new Chicago Central Mail Processing Center, we believe we have the infrastructure to better handle the large volumes of Chicago metropolitan area mail. This newest plant will significantly enhance Chicago's mail processing operations. Rufus Porter will provide you with details in his testimony. In time, we fully intend for the Chicago Central Mail Processing Center to be known as the world's best and most technologically advanced.

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Thank you for this opportunity to share information with you about Postal Service operations in the Great Lakes Area. While we understand we still have a way to go to ensure consistently high levels of service for our customers, we will continue our dedication to this goal and build on the progress we have made.

I will be happy to answer any questions or to turn the microphone over now to Rufus Porter, our Chicago District Manager/Postmaster, and his partner, Senior Plant Manager David Fields. Thank you.

Questions submitted in writing to Mr. J.T. Wecker,  
Great Lakes Area Vice President for Operations, USPS by  
the Honorable John M. McHugh  
Chairman, Subcommittee on the Postal Service  
Committee on Government Reform and Oversight  
U.S. House of Representatives

I want to follow-up on a line of questions began by my colleague, Representative Hastert, at our recent field hearing regarding the debt owed the Postal Service (USPS) in the amount of \$335,849 by the Democratic Party of Illinois (DPI) for misusing its nonprofit bulk mail permit.

You mentioned at the hearing that USPS and DPI had reached an agreement that would allow them to continue to mail campaign literature, in spite of their previous default, based upon DPI posting a bond in the amount of \$247,000. My questions are these:

1. Please explain fully the circumstances surrounding this bond, including when it was paid, the method of payment and the status of DPI mailings.
2. Why is the amount of the bond significantly less than the amount owed the USPS?
3. I know from the recent General Accounting Office report outlining the potential for lost revenues on bulk mail acceptance that this is a complicated problem at the larger bulk mail facilities. To what extent is the collection of postage from bulk mailers a problem for the USPS in the Great Lakes area?

J. T. WEEKER  
 Director, Office of Revenue Assurance



November 7, 1996

John M. McHugh  
 Chairman  
 Subcommittee on the Postal Service  
 2157 Rayburn House Office Building  
 Washington DC 20515-6143

Dear Chairman McHugh:

The first issue raised in your letter of October 18 concerned the Democratic Party of Illinois posting a bond to allow them to resume mailing campaign literature. They never did provide us with this bond, consequently, they are prevented from mailing under its special permit.

The bond is less than the amount owed to us because our regulations state that we are only able to offset 12 months worth of a revenue deficiency. The entire deficiency was based upon a period of approximately 22 months. We will still attempt to collect the entire revenue deficiency assessed against the Democratic Party of Illinois.

Regarding your third question, we have studied the GAO report of potential of lost revenues. We recently convened a team of subject matter experts from the Great Lakes Area, which include people with hands-on, day-to-day experience in supervising and managing Business Mail Entry Units, Postal Inspectors, and managers from accounting and finance. The team developed a plan which includes better checks and balances, improved procedures, and better tracking and accountability for revenue collection and protection.

Also, as part of a national effort in Revenue Assurance, we join the other nine areas of the Postal Service in committing additional people to this revenue assurance effort. We believe the Revenue Assurance Specialists we will be bringing on board will provide a significant return on investment.

Sincerely,

J. T. Weeker

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Mr. PORTER. Thank you very much for having us. Good morning, Mr. Chairman and members of the Committee.

I am pleased to join Great Lakes Area Vice President J.T. Weeker and my colleague and partner, Senior Plant Manager David Fields here this morning to discuss a subject near and dear to me, the Chicago Post Office and the U.S. Postal Service.

Looking back on 30 months since postal operations in Chicago were the subject of negative headlines, significant changes have taken place throughout this district. While it would be easy to go back and discuss the specifics of what happened to contribute to the decline in service, my goal is to move forward and produce measurable and sustained improvement in postal services today and into the future. The dedicated employees of the Chicago Post Office have made a tremendous difference in improving service to our customers and they will continue to be the key to our future success.

Fiscal year 1996 was a year of achievement. Financially, we beat our budget target, finishing \$4 million better than we planned, with our work-hour budget 3 percent better than plan. Mail volumes increased to 9 million pieces handled daily and overnight first-class service reached a very respectable 86 percent in Quarter III. Regrettably, our Quarter IV score was 80 percent, reflecting the complex operational move into our newest mail processing plant. However, that move is completed and our focus is now dedicated toward consistently achieving operational efficiency. While we are encouraged by our progress, we know that excellence is a journey, not a destination.

Less than 6 months ago, we were processing mail in one of the oldest mail processing plants in the Nation—a sprawling eight story building, driven largely by manual 1950 mechanized systems. Today, this work is being accomplished in a modern, well-designed state-of-the-art facility equipped with technologically advanced mail processing equipment. The new Chicago Central Processing and Distribution Center and the new Irving Park plant will allow us to meet the challenge of future growth in mail volume.

In addition to these processing plants, we are replacing and improving our stations and branches. We recently have added five new retail facilities—Edgebrook, Lincoln Park, Norwood Park, Rogers Park and Chicago Central. And by year's end, we will have three additional new facilities to serve Chicago Postal Service customers. And since 1994, every station and branch in the city has undergone some degree of renovation or remodeling to improve appearance, accessibility, convenience for our customers.

We have established and partnered with our Postal Customer Advisory Council executive committee, which has formed 50 neighborhood councils, one in each station or branch office in the city of Chicago. Based on the responses we have been receiving from these community outreach efforts, we believe we are on track in regaining the confidence of the people of Chicago.

We also created a mobile community outreach program to deliver postal service to the doorsteps of our senior citizens. And we have examined and adjusted carrier routes throughout the city to improve our consistency in on-time delivery.

For employees, we established employee roundtables to facilitate better communications and foster strong relationships between management and employees. We are giving our employees an opportunity to offer ideas and suggestions for improving all aspects of their jobs. In addition, we are implementing an educational program to assist our station managers in developing a better understanding of the postal needs of the customers in their local neighborhoods. We believe that by establishing these kinds of relationships, it will help make us an integral part of Chicago's many communities.

As part of our effort to keep Congress and other elected officials informed of our progress, we recently completed our quarterly meetings with the Congressional district offices in Chicago. We also met with representatives of the Chicago Aldermen's offices. We are working closely with our business mailers, including the banking community and the Chicago Clearinghouse Group. According to their figures, Chicago's performance is ranked among the best in the Nation as measured by the Phoenix Hecht survey.

Have we satisfied all of our customers? No. And we haven't entirely satisfied ourselves either. But we have learned much from our past difficulties and are building on each new success. Most importantly, we will continue to work with our customers and our employees in forging a partnership for progress.

Mr. Chairman, we would like at this moment to take a pledge not only to this committee, but to the citizens here in Chicago.

[To other Postal Service employees in attendance:] Gentlemen, if you can raise your right hand.

Mr. Chairman, members of the committee and the people of Chicago, we stand before you today taking the pledge to achieve continued improvement in Chicago postal service. My immediate goal is to bring local service to our fiscal year 1996 Quarter III level of 86 percent or higher on-time delivery. We have come a long way in 2 years. New facilities, new people, new approaches. Our service to Chicago now is good, but good just is not good enough.

I will pledge that by the end of the year, our service to the people of Chicago will be at a higher level than ever before. I will know when our service performance is better only when our customers tell us that it has improved.

Mr. Chairman, this concludes my testimony and we will be absolutely pleased to answer any questions that the committee has for us.

[The prepared statement of Mr. Porter follows:]

**Rufus Porter**  
**Chicago District Manager/Postmaster**

Good Morning, Mr. Chairman and Members of the Committee.

I am pleased to join Great Lakes Area Vice President J.T. Weeker and my colleague, Senior Plant Manager David Fields, this morning to discuss a subject near and dear to me, the Chicago Post Office and the United States Postal Service.

Looking back on the 30 months since postal operations in Chicago were the subject of negative headlines, significant changes have taken place throughout this district. While it would be easy to go back and discuss the specifics of what happened to contribute to a decline in service, my goal is to move forward and produce measurable and sustained improvement in postal services today and into the future. The dedicated employees of the Chicago Post Office have made a tremendous difference in improving service to our customers and they will continue to be the key to our future successes.

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Mr. Chairman, members of the committee, and the people of Chicago, I stand before you today taking the pledge to achieve continual improvement in Chicago's Postal Service.

My immediate goal is to bring local service to our Fiscal Year '96, Quarter 3 level of 86 percent or higher on-time delivery. We've come a long way in two years. New facilities. New people. New approaches. Our service in Chicago now is good, but good isn't good enough.

I pledge that by the end of the year our service to the people of Chicago will be at a higher level than ever before. I will know when our service performance is better than ever before when I hear it from our customers.

This concludes my testimony. I would be pleased to answer any questions.

Mr. MCHUGH. Mr. Porter, that was quite a pledge there, but to testify to just how good and hard working you are and how little politician you are, you did it before the camera got here. You might want to get up again. [Laughter.]

In our world, if it does not happen in the newspaper, it did not happen. I did not hear you say "I do." Maybe you should—[laughter.]

You do not want to stand again for posterity?

[The witnesses rise.]

Mr. MCHUGH. Do you swear the pledge you gave was the truth, the whole truth and nothing but the truth.

[The witnesses respond in the affirmative.] [Laughter.]

Mr. MCHUGH. Actually, we want to get you on record. Thank you for that. And I think I can speak for the whole subcommittee. I neither, nor the members, want to question your dedication and your interest in trying to provide mail service as absolutely effectively and efficiently as you can.

What the heck is Phoenix Hecht? I have never heard of that. What is that, Mr. Porter?

Mr. FIELDS. Mr. Chairman, the Clearinghouse Group in Chicago participates—subscribes to a service through a private organization called Phoenix Hecht, and that company measures their ability to get their remittance processing from all over the entire United States into the city of Chicago as they do for other major banking communities within the Nation. They do this for a number of reasons.

Two to three years ago, there were a lot of concerns in the Chicago banking community about their competitive posture as it related to the rest of the banking communities in the Nation. And so we worked very closely in partnership with their clearinghouse group to help in improving service and Phoenix Hecht is the way that they measure that service, and they do it twice annually.

And it actually gives them a total mail float performance rating for the entire Nation and for the Midwest Region and for each of these particular States. And Chicago mail float and total float for remittance processing has been the top in the Nation for the last two to three consecutive measuring periods.

Mr. MCHUGH. How are the results reported? How do you receive your rating, do you get an A+ or you get 100 or—

Mr. FIELDS. The information is presented in raw average days to deliver mail from point of induction into the mail stream to point of delivery at the bank and then it also measures from that point of delivery to the bank, the amount of time it takes them to process that check or remittance and to actually enter it into the—deposit it into the bank and then to clear that check through the Federal Reserve system. And the number is reported—it is proprietary information that is provided to them as subscribers of the service, and they use it for their own internal purposes, for their own internal diagnostics and also to communicate to their customers or potential clients about how good or great their business is.

Mr. PORTER. Mr. Chairman, let me also add that this survey is mailed to 140 locations throughout the continental United States.

To also understand the magnitude and how important it is to the banking community, you are talking about revenue in excess of

\$4.2 trillion that goes through the lockbox process. So you can understand the importance it is to our banking community.

For Chicago to move into the place that it is in terms of overall banking is absolutely notable and absolutely is contributable to the cooperation—the collaborative effort between the banking community here and the Chicago Post Office.

Mr. MCHUGH. The information is proprietary amongst who?

Mr. FIELDS. The financial institutions that participate, Mr. Chairman.

Mr. MCHUGH. Apparently it is not too proprietary, if you know you are No. 1, huh? [Laughter.]

Mr. FIELDS. We are active participants on the subcommittee for mail reform issues in Chicago, and as such, we are provided that information.

Mr. MCHUGH. OK. Let us go back to Congressman Yates' comments because obviously he has had a longstanding concern, and at face value I think a very legitimate concern. You mentioned, Mr. Porter, a whole host of new facility developments, and I read about those in your statement. Is it fair to say that none of those are in his northside district?

Mr. PORTER. In fact, there is one that is in his northside district, to be quite candid with you. I understand the Congressman's concern and I have a lot of respect for his tenacious efforts in fighting for his constituents. However, I think it is only fair to say at this point that the characterization of the poor mail service and those kinds of things just is not the way that it is being presented to us.

For example, this week just on Tuesday, we had a town hall meeting and the most interesting thing about this town hall meeting, it was in a geographical area that is juxtaposed to the same area that the famous armory meeting was held in 1994 when Postmaster Runyon came down. We met with over 100 of the Congressman's constituents. To be more specific, it was the South Lakeside neighborhood.

Chairman and committee, let me tell you, the things that we heard last Tuesday night is definitely reflective of the progress that we are seeing, even in our own internal numbers. Those individuals, person after person, got up and talked about—yes, there are still targets of opportunity but yet they talked about and they articulated very clearly the progress that has been made here in the Postal Service. In fact, we even got invitation to come back in 30 to 60 days to the meeting. And it is also noteworthy that we went to that meeting not by invitation, we went to that meeting because we asked to be at that meeting.

The same thing is going to happen next Tuesday. We are going to meet with the Belmont Shores customer group, also in the Congressman's constituency. And we are going to talk about some of the things and we are going to listen.

So I am just at a loss in terms of making a correlation between the interpretation as it exists today. There is no doubt that there may have been problems in the past, we cannot deny that. But the progress that we have made since 1994 has been absolutely notable.

Mr. MCHUGH. Well, I appreciate that.

Usually a Member of Congress hears about the problems, we do not hear a lot about the good things. That is the nature of this business. We noted that you may not have been a politician to stand up when the camera is on, but you were a little political there—targets of opportunity—you mean problems?

Mr. PORTER. Targets of opportunity, sir; we do not call them problems.

Mr. MCHUGH. You do not call them problems.

Mr. PORTER. That is one of the things that we changed when David and I came in 1994. We have erased that from our vocabulary.

Mr. MCHUGH. OK, that is fine. For example, what do you think your most important targets of opportunity may be?

Mr. PORTER. Sure. At this particular point, especially as it pertains to the Congressman's area, and I am talking about the north side of the city, the largest target of opportunity for us is trying to help educate both our employees and our customers in terms of how we can best forge a relationship to improve address hygiene. The biggest problem that we have in that area is the high rises and address hygienes and deliverability of the mail pieces, et cetera. The one thing that has happened, we have had Alderman Mary Ann Smith's office to work with our uptown station manager and develop a program that relates to going out and absolutely educating the customers in that particular area as it relates to putting proper addresses on their letters. Correspondingly, they are also helping us in terms of talking to our employees.

So if we look at the largest opportunity for us as it relates to that area, it is trying to get the mail in a deliverable state. For example, when a mail piece does not contain an apartment number, that mail piece after an attempt to deliver has to come back to the office and we have to give it special handling. We call it directory mail. That volume of mail—and again, this is special handling that we have to give. So if it has to come back to the office, automatically that mail piece is delayed by 1 day. When that mail piece comes back to the office because it does not have the proper address on it, our carriers have to look up manually on the directory that is supplied to us by the building manager and look up every single piece of that mail. This volume represents something like 4,000 feet every 2 weeks. And I just need you to understand the magnitude of this—4,000 feet every 2 weeks.

Mr. MCHUGH. Feet meaning what?

Mr. PORTER. Feet of mail, trays of mail.

Mr. MCHUGH. How many pieces would that represent?

Mr. PORTER. That represents approximately 250 pieces per foot. I just need you to understand the magnitude of that. So you can see how much of a tremendous effort that it takes us in terms of getting that mail to where it is supposed to go.

So when you talk about targets of opportunity, those are among the largest.

Now I would be remiss if I did not tell you that we still do not have an issue as it relates to educating our employees. That is a continued process, that is something that David and I discovered when we came here, that we had to take our employees back to understanding what we are in business for. We focused them on our

core business. Have we accomplished this yet? No, we have not, but we have systems and processes in place that are designed to do just that.

Mr. MCHUGH. What about facilities, what about people? I think Congressman Yates, if you were still able to be with us, would be saying I need a post office, you move people in and out on me, there are not enough people to do the job.

Mr. WEEKER. Mr. Chairman, one of the things is that we have limited capital dollars just like any business does, and we go through a whole prioritization of facilities to decide where is the best place to spend the dollars. And we look at what the needs are, how is the community growing, what are the operational needs for a 10 to 20 year period out. So that process goes on continually in Rufus' district and in every district we have. Skokie is a very good example. We took a look at Skokie, the growth possibilities in Skokie and there simply was not the growth that would argue for a new post office. We in turn, however, did renovate the old post office, we put a small retail outlet about 2 miles with quite adequate parking, which we feel at this time fills the postal operational needs for Skokie.

Mr. MCHUGH. Excuse me, is that Congressman Yates' district—Skokie?

Mr. WEEKER. Yes.

Mr. MCHUGH. I am not familiar with that.

Mr. WEEKER. Yes, he referenced it in his comments.

But what we look at is instead of putting extensive dollars into brick and mortar, are there other ways that we can fill the needs. There is not necessarily a building in that particular location. We might have carriers somewhere off in a cheap warehouse kind of space because that will take care of the needs of carriers and then we will provide other kinds of retail space. But each district manager and plant manager has to go through a very extensive process by which prioritization is done and they have to compete for the capital dollars. But one of the most important things is what is the business need, what does the community need, what is the real need—not the wants, but what is the real need for the community. And we, of course, pay very close attention to what any Congressman asks us, because your constituents are our customers and it is very important to us.

Mr. MCHUGH. I appreciate that. And I do not want to—and I have taken all the time here, but let me just say two things. So you are saying money is always a problem—we understand that.

Mr. WEEKER. Yes.

Mr. MCHUGH. But let us enter a dream world, you have got enough money to build whatever you wish to in the city of Chicago. Does Congressman Yates' district get a new facility or do you go along with the upgrades that you have talked about because that is sufficient in your mind to meet the needs of that particular area?

Mr. WEEKER. Well, it is hard to dream that particular dream, but I think—

Mr. MCHUGH. Well, this is a challenge of opportunity or something.

Mr. WEEKER. Yes—target of opportunity. I think the answer is that we would build what met the needs of the community best. If that was a new facility, it would be a new facility.

Mr. MCHUGH. That is what I am asking, what do they need, do they need a new facility?

Mr. PORTER. The two areas that he is talking—that he made reference to, and again I only know that because he and I have met four times, two times within the last month, in his office with a delegation of individuals. So we meet frequently, we talk frequently. He is talking about the Graceland area, 60657, and he is talking about the uptown area. And we have had many discussions about that. Both facilities are more than adequate to service our need, not only now, but for the next 5 to 10 years, especially with the introduction of some of our automation concept where we are designing our systems in such a way that automation is actually going to take the place of a lot of manual handling. And if it works the way that we know that it will, we are actually going to reduce in terms of numbers. We actually are going to have our mail volumes prepared in such a way that the volumes will not be as challenging as they are today. So for those two facilities, unequivocally no, we do not need two new facilities in that area.

Mr. MCHUGH. I am sure the Congressman would disagree, but I think it is important that your views about this be on the record.

Thank you for your patience, Congressman Flanagan. Let me yield to my colleague from the great city of Chicago.

Mr. FLANAGAN. I thank the chairman and I also thank Mr. Hastert, who has been very patient with me throughout this process.

Let me say I thank you for coming out here today. I saw Mr. Weeker a couple of weeks ago when we were building the postal facility in Cardiss Collins' district, we are just finishing that one, to be named after—normally you would say the late Congressman, but in this rare instance, the current Congressman, who was there to come by and shake hands. And Rufus, you and I have worked together, I do not know how many times on how many issues, trying to get these things done, but I have a question for you.

You said you adjusted carrier routes. What did you mean when you said that?

Mr. PORTER. One of the commitments that we made when David and I first took Chicago over, was that we were going to examine and try to define the core of our issues. We found that one of those cores dealt with the overburdened carrier routes. We have not kept pace with the increased volumes, especially in our high growth areas and I am talking about the 60614, Lincoln Park and those areas that have experienced tremendous growth over the last 20 years. In some instances, those carrier routes had not been re-examined for over 20 years. So we endeavored to identify those particular routes which were overburdened and we went about the business of making those adjustments. And I can tell you today that every one of those routes on the north side of the city have been examined as we committed in 1994.

Mr. FLANAGAN. When you adjusted the routes, you mean you changed the borders of them?

Mr. PORTER. Well in some instances, yes, we did do what we call territorial changes. But the whole concept is to make sure that the volume of those particular routes match the resources that we dedicate to it. Ideally, what we try to do is make sure that every route is 8 hours, meaning that the carrier can actually come in case, carry the mail within an 8-hour period.

Mr. FLANAGAN. Sitting behind you are Mr. Bennett and Mr. Gutowski and they have got only one question, so I will ask it for them because by the time they testify you will be gone. Mr. Bennett and Elmwood Park was recently the beneficiary of the post office giving a new zip code number out there, something other than the 606 number, which was the right thing to do because it is a suburban area. Mr. Gutowski from Norridge and Harwood Heights is looking for the same thing up there. But unfortunately, to do it effectively in such a way that Mr. Bennett would like and Mr. Gutowski would like to see, that would require moving the zip code boundaries and making the zip code contiguous to the suburban area, but contiguous to its municipal boundaries. It is my understanding that this is not possible. Perhaps you can elaborate on that and tell us why.

Mr. PORTER. Well I am going to share the answer with David. But Congressman, you are absolutely correct. Zip codes were designed, not necessarily for geographical identification—well, I can specifically say they were not designed for geographical identification and/or locations. They were exclusively designed to help facilitate the deliverability of mail—that is all. Obviously, over the years that interpretation has broadened in terms of its meaning and how it is perceived in our various communities. We are sensitive to that and we understand that. We have about 12 requests for these kinds of Zip Code realignments. As you know, of the 12, we have been able to justify in terms of operational efficiency, at least four. And just last year, for example, we were able to justify two, something that has not happened in the past. We have a 10-year plan.

Mr. FLANAGAN. One of them at my request.

Mr. PORTER. Absolutely, without a doubt.

Mr. FLANAGAN. I think the question I am getting at, more closely, is not can you throw a new number on the post office and get that done and actually move the boundaries. When you made the plan to add Zip Codes to deliver mail years and years ago, it was solely for that purpose and certainly has not changed, you must confess also that because your system works so well, because it draws lines, it has been sucked up by insurance companies and other people and used for many different reasons outside of delivering mail.

Mr. PORTER. Absolutely.

Mr. FLANAGAN. And you have exclusive control of that aspect, although you are not responsible for the fact that an insurance company uses it or somebody else does, you have exclusive control of where that line is on the map.

Now I guess my question is why will you not or why can you not move the lines so that a municipality can have it surrounding their borders?

Mr. FIELDS. If I could offer two or three points, Congressman, on that subject. First off, there is a significant danger that comes with



the changing of Zip Codes and Zip Code boundaries for our customers. It equates much to the same process that the telephone company goes through when they change area codes or telephone numbers because of extreme growth. And we have experienced that in Chicagoland to a great extreme in the last 12 months. The primary difference that we have is that we do not control the Zip Code that is placed on the mail piece. The customer that receives the mail does not necessarily control that. They have some influence over that by calling all the people that send them mail and asking them to change their Zip Code; however, history tells us that that period takes over 12 months and in some cases 2 to 3 years to get the right Zip Code on the mail after that change occurs because it is coming from so many different people, from so many different parts of the country.

The other experiences that we have had is that Zip Code boundaries tied to municipal boundaries do not work, as an example, in the suburbs where you have extreme growth in the Chicago area. If we tied them to the boundary today and next year they annex additional land or they build a new subdivision or development, then we find ourselves in a situation where we have those type of rules that we have to go to your constituents and say we want to change your Zip Code. We find typically in any Zip Code change, that we displease a number of our customers in an effort to please others. So it is a very difficult situation.

And again, as Rufus spoke about, we process, we move over 9 million pieces of mail in and out of the city of Chicago every single day, and we do that by the Zip Code. And if that Zip Code is incorrect, which it is on—of that 9 million pieces, to give you some understanding of the impact, Rufus talked about the amount of mail that is—does not have an apartment number on it, for whatever reason, and we do not know which 1 of the 400 apartments in the high rise to put that mail. On any given day, we may have as much as 200,000 pieces of this mail that has the wrong Zip Code or an incorrect Zip Code. And the process that has to occur to handle that 200,000 pieces of mail to try to determine where it needs to go and to get it where it needs to go is a difficult one at best, when the information is improper.

So the Zip Code is critical to service, it is critical to improving service and consistency of service. And if we get into a situation to where its principal purpose is geographic identity, we may suffer serious service deterioration.

Mr. FLANAGAN. Thank you.

In regard to the numbers you gave, before I move on to the next subject, I will be very interested to see what Mr. Bennett and Mr. Gutowski behind you have to say, and I hope you will stick around for their testimony too.

We had a dip in our numbers here this last quarter. Can we look forward to it shooting back up again in the next quarter?

Mr. PORTER. Absolutely. And based on our diagnostic review, it is already moving back up.

The chairman alluded in his opening statement to the event that caused that dip. We moved from the largest facility in this country, nine floors of operation, to a compacted two floor operation, highly mechanized. In addition to the equipment and logistics and all

those things that you can imagine that goes on in terms of moving from a place that you have been in for pretty close to 60 years, you are talking about changing behavior and changing the way people's mindsets are and those kinds of things, which is absolutely challenging. In fact, you had some people that had spent their entire career in that old building—I mean 50 years in some instances. Yes, those represented all the challenges that we pretty much felt that we were going to have in making that move. That one event drove those scores down to an 80.

I will take a chance at this and I will allow my partner a little bit—we also have a diagnostic tool that somewhat distinguishes the offices and stations that are processed in our Irving Park facility. These stations are all north of North Avenue, that is the boundary line for us, and they represent practically all of the stations that are represented by Congressman Yates' Congressional District. For that same period, to kind of support—

Mr. FLANAGAN. Mine too.

Mr. PORTER. Yours too, you are absolutely right. You remind me of that often.

Mr. FLANAGAN. Yes.

Mr. PORTER. For that same identical period, I am talking about Quarter IV, if those scores were exclusively focused in on the north side stations. You know what those scores would have been? Ninety. That same 80 would have been a 90. OK? Suffice it to say that that move had a tremendous impact on us. We are moving forward now. It is my strong belief that by the end of this quarter, we will be right back where we were, building on the progress that we had made.

If we had a bar chart, and I wish I had an illustration here, you would see from 1994 when we came in, the scores were 66—and chairman, I agree with you, it is a tremendous accomplishment to go from 66 in a large metropolitan area to 86, 86 was the highest score that we ever attained, an absolutely tremendous accomplishment. If you looked at a bar chart, it would go just like this [indicating]. The one dip we had was the event of the move that took it down. We are now beginning to move back up. OK?

Mr. FLANAGAN. David.

Mr. FIELDS. I would just add as well, because of the magnitude of the task, the undertaking for the last 2 years in Chicago with these facilities, it is difficult even to communicate, let alone fathom. We started 2 years ago with over 7,000 people in the old Chicago main post office. We first opened the Irving Park Road facility and we relocated some 1,500 of those employees to the O'Hare Airport area. Then subsequent to that we went through a stabilization process and began improving that operation and we started the process of planning for the move to the new central facility.

Congressman, I grew up in a town with 5,000 people. We have over 5,000 employees in the Chicago main post office and I sometimes equate the moving of my hometown 10 miles down the road, to the relocation of the Chicago central facility. It included everything from where they eat, where they place their clothes and their wares when they come to work, how to get into the building, where the front door is, how to evacuate in case of a fire or emergency, purchasing and placing over 5,000 lockers for their personal use,

opening one of the largest employee cafeterias in the entire Chicagoland area and on and on, including the movement of some 60 plus pieces of very expensive, high technology capital that had to be moved, positioned, tested, quality assured and then employees trained on how to operate that piece of equipment. And we did all that as work in progress.

If we were a giant factory or assembly environment, which is much what our processing facilities are, we would simply increase our inventories and close our plant down and move it over a 30 day period of time, get all of our employees oriented and acclimated and then open the doors and start producing cars again. We do not have that luxury. The 9 million pieces of mail coming in and out of Chicago continued to come each and every day.

Additionally we relocated all of our customers who had been doing business with us at the old Chicago Main Post Office, we had to educate them. We had thousands and thousands literally of tours and orientation sessions where we brought customers in from all over the midwest of the United States, because we not only do business with customers in Chicago but we do business with Sports Illustrated, Newsweek, Time, Wall Street Journal and so on, and we have to orient their trucks and their drivers and their employees as to where to come to, to do business with us.

So it was an extreme undertaking. The training and the orientation of those 5,000 employees in itself was a tremendous task. Were we pleased with the dip? Absolutely not. And as Rufus alluded to, the other thing we always consider in Chicago is our customers do not necessarily equate that one Price Waterhouse measurement as the only means of knowing whether or not service is better or worse. Our constituents all have different measures of service improvement in their own eyes—how long are the lines in the lobby, how long does it take to answer the telephone, how long does it take for them to respond to me, do they forward my mail properly. And we measure all those things as well. And we believe truly that we will see that—already we see the initial results coming through and we believe the service improvements for overnight service will put us back in a competitive posture at the end of this quarter.

Mr. WEEKER. And Mr. Congressman, I would like to add one thing to this. My responsibility, of course, is the oversight of Chicago. One of the things that I was concerned about was how was this move going compared to other large metropolitan area moves that had been experienced over the last 5 years. And one was in Washington, DC, one was in New York and one was in Los Angeles. The scores in New York and Los Angeles have improved significantly. They were not being scored by this system when they made the move, but every indicator that we could look at and what their memories were, was that the move was effected in Chicago better than in any other facility in the country ever. And considering the level of sophistication and the technology, that makes me—leads me to conclude that their recovery (1) will be faster and (2) we will join New York and Los Angeles in the 1990's in Chicago. And that is part of our pledge to you. We will be there.

Mr. FLANAGAN. Mr. Chairman, I must observe that what the Postmaster in Chicago tells you about the new building is indeed true. I have toured both buildings and I will say that I used to visit

Rufus in his office in the old building and it is easily as large as I guess this floor and it is oak paneled and it has high back leather chairs. It was built in an age when you did stuff like that, and frankly you would have gotten me out of that office with a machine gun. And Rufus' new offices are not quite the size of this room and rather spartanly put together because they are more functional. So I must say that the downsizing has affected every level. But I hope that indeed you are correct that the numbers do come up because like Arnold Swartzenegger, we will be back if they are not, because it has got to be better.

And I must say, I have not read in several weeks at least about a sack of mail laying in a viaduct or burned in a barrel. So good things must be happening.

Thank you, Mr. Chairman.

Mr. MCHUGH. I thank the gentleman. Mr. Hastert.

Mr. HASTERT. Patience is a virtue. [Laughter.]

Mr. MCHUGH. And again, he has graciously yielded his seniority rights.

Mr. HASTERT. I wanted to say first of all to Mr. Porter, I was somewhat amused and just a little alarmed that you said excellence—your motto is excellence is a journey, not a destination.

Mr. PORTER. Yes, sir.

Mr. HASTERT. I hope that is not the motto for the U.S. Post Office because that is one of the problems, sometimes folks think that that journey takes an awful long time before it gets to its destination. So maybe that is a target of opportunity too, to make sure that that destination is a little bit shorter.

Mr. PORTER. You took my answer, Congressman. [Laughter.]

Mr. HASTERT. But anyway, my district is a little bit west of here and my constituents get mail out of South Suburban, the Fox Valley facility, and certainly the Carol Stream facility, which certainly integrates to what you do, but mostly it is under Mr. Weeker's vigilance and control.

I guess that is where I would ask you—I want to pursue something a little bit that our good friend Congressman Yates said a little while ago. He said that he thinks that Congress ought to have the control again so that Members of Congress when they feel it is necessary to put a new post office—in my case it would not be an area, it would be in 1 of 92 towns that I represent, that I could just drop in a bill to the Appropriations Committee or an amendment to the appropriations to make sure that that post office gets built. If you think that through, if that in fact happens and every Member of Congress—there is 435 of us representing the 50 States and a couple more people representing various territories—if we could just start to do that and drop in post offices whenever we had—first of all, what would that do to your operations and second, what would it do to your capital flow?

Mr. WEEKER. Oh, you mean you are not going to give us the money?

Mr. HASTERT. Well, they may or they may not.

Mr. WEEKER. My experience, as I indicated, Mr. Congressman, in a lot of different places is that they have been very forthright with us about needs for facilities, we have been able to sit down and oftentimes work out reasonable compromises about the facility. I

guess there is always difficulty associated with substituted judgments, who is making that judgment. The needs of a community in terms of wanting to have the brick and mortar may be—how shall I call it—an ego thing rather than a business necessity. I think that we have to—I think it would be a very dangerous way to go and I think there would be more problems associated with it rather than less problems. And I am not sure that it would address the real needs of the American public to have an affordable Postal Service.

Mr. HASTERT. Well, I threw you a softball and I want you to understand that. Basically I think it would be a little bit more difficult. You sit on this day in and day out but if everybody was wrapping in post offices, or again to use the word that is the "P" word, political necessity, it might make a little more difficult management problem that you would have, especially the revenues.

That is one of the things I want to get to. How have your revenues been? I understood from an announcement from Postmaster General Runyon's office that they have made what, \$4 million over the last quarter or year or what was that?

Mr. WEEKER. We made around \$1.—I do not think the books are closed yet, around \$1.5 to \$1.6 billion this last year.

Mr. HASTERT. That is profit? No, that is not profit, you are non-profit.

Mr. WEEKER. That is the difference between our operating expenses and revenue. This year—

Mr. HASTERT. And how is that money distributed, what happens to that money?

Mr. WEEKER. Well, that is used to keep the rates—when you have a rate cycle that goes, as it did this last time, 4 years, and we hope to not to have to raise rates for a long time, let us leave it that way. It will cover when we start going into the red later in the century.

Mr. HASTERT. You are going to be going into the red later in the century?

Mr. WEEKER. Well, it depends. One of the things that we face in the Postal Service is, like any consumer, if power goes up, with as many vehicles as we have when gas goes up it costs us a lot of money. We have continuing increases of addresses to deliver to, so we have certain costs that are rising.

Now automation is making I think some positive in-roads on our cost structure, but it is a matter of how that is going to balance out. I do not know, I do not have those numbers in front of me right now.

Mr. HASTERT. So balance is an important thing.

Mr. WEEKER. Yes.

Mr. HASTERT. So what you have said is that you had a positive in-flow and you put a lot of that money—I would assume goes into building and capital renewal, things like that. I think one of the things that I am concerned about is that you do collect the true amount of what is owed to the people that are buying the 32 cent stamps that have to pay their bills and send a letter to their daughter in college or their son serving overseas, whatever, that that price does not go up.

Mr. WEEKER. Absolutely.

Mr. HASTERT. And that is what you have been trying to maintain.

Mr. WEEKER. Absolutely.

Mr. HASTERT. I have a problem, and some people would say this smacks of a political problem, but it is a problem that has existed and I think you are probably very much aware of it. We, as the Republican Party and the Democratic Party, each of the 50 States, each party possesses a non-profit bulk mailing permit, and that basically allows those organizations to mail at a lesser rate because it is a bulk rate, similar to many other bulk rate holders, is that correct?

Mr. WEEKER. That is correct.

Mr. HASTERT. And one of the problems that has developed here in Illinois, it was a common practice for individual candidates and group candidates and stuff to use that permit. But that has been changed, has it not?

Mr. WEEKER. That is correct.

Mr. HASTERT. And so now only the State party can use that permit, is that correct?

Mr. WEEKER. That is correct.

Mr. HASTERT. But one of the things that happened in 1992, the U.S. Postal Service determined that this practice is not allowable and the Republican Party—and I remember it because I was active during that time—we had to pay back a fine of I think over \$150,000 that—not a fine, but back payment because it was determined that our party mailed things for individual candidates out under that permit, which was only acceptable for the State party. And we did pay that fine and from that point on, to the best of my knowledge, we have never went against that rule or regulation again.

At that time, the Democratic Party in Illinois was also assessed an amount, and I think that was in excess of \$150,000 or about that amount. And they refused to pay that. As a matter of fact, it was I think \$175,000. They refused to pay it and it went into a legal situation under threat of having their mail privileges suspended and finally they paid that amount, the \$175,000 that they owed, is that correct?

Mr. WEEKER. As I understand it; yes, sir.

Mr. HASTERT. But what happened, once they admitted that they had done that—and we admitted that we had done it, we stopped doing that as a Republican Party. The Democratic Party kept doing it and as a matter of fact, they kept using the non-profit bulk mailing privileges in 1993 and 1994 and 1995 and once they admitted they had done it, they had accrued over \$335,000 in revenue shortfall for the U.S. Post Office. To be exact, it was \$335,849.44. This money has never been paid back.

What would be the ways that if somebody did not pay you what you needed and other people would have to subsidize that by increasing the cost of postage stamps or other services, how would you go about getting that money back?

Mr. WEEKER. What we did in this particular case, Congressman, is that we did a setoff. They had funds on account with us and basically we said you cannot mail any more because you owe us this

money—this was not very long ago. The Democratic Party then took us into court for temporary restraining order.

Mr. HASTERT. But the Democratic Party before that went through a whole appeal process, is that not right?

Mr. WEEKER. Yes, that is correct.

Mr. HASTERT. And you fought them on that and they were unsuccessful in that attempt and it was in July of this year, is that correct, July 11 to be exact?

Mr. WEEKER. I do not remember the exact date.

Mr. HASTERT. I recall it was July 11, that you made that determination. However, the lid did not come down, so to speak, until sometime in September, is that correct?

Mr. WEEKER. That is correct.

Mr. HASTERT. That seems like a long time to try to collect that money.

Mr. WEEKER. We normally have cooperation from our mailers.

Mr. HASTERT. Are you saying that you did not have cooperation here?

Mr. WEEKER. No, I am saying that normally by working through that, we are able to solve those problems short of having to go to a setoff.

Mr. HASTERT. Well, were you successful?

Mr. WEEKER. No, we were not successful.

Mr. HASTERT. So what happened?

Mr. WEEKER. We, at that juncture, since we had not collected the money, we did what we call setoff, that was to say you cannot mail any more, we are freezing your funds so you have no access to the mail. They went into court, Federal court, they were able to persuade the judge there to allow them to post a performance bond in the amount of about a quarter of a million dollars and we were directed to let them mail again, which they are.

Mr. HASTERT. What do you have to pay for a performance bond?

Mr. WEEKER. I am not aware of the cost of a performance bond.

Mr. HASTERT. So a judge, a Federal judge, a recently appointed Federal judge, said what, that this is not fair?

Mr. WEEKER. He said that the issue would be decided in the court, I forget his exact language, but he pointed toward an expeditious resolution of it in court.

Mr. HASTERT. Couple months?

Mr. WEEKER. I do not know what that means.

Mr. HASTERT. Well, to me, that really—and so what that party is doing now is mailing probably hundreds of thousands of dollars more at the lower rate, is that right?

Mr. WEEKER. No, they are comporting to the requirements. I had a personal discussion with both the district manager and the Postmaster in Springfield—

Mr. HASTERT. So they are paying the rate as everybody else.

Mr. WEEKER. That is correct.

Mr. HASTERT. But at the same time, they have a debt of over \$335,000 that they have never paid.

Mr. WEEKER. That is the Postal Service's position.

Mr. HASTERT. So somebody else is subsidizing that cost, is that right?

Mr. WEEKER. I am not sure I would characterize it that way, but as in any business, if you have bad debt, your other customers pay the costs of that bad debt.

Mr. HASTERT. Well, I wish Representative Yates was here, a very influential man, maybe he could have got them to pay what they owe.

I appreciate that. And I think that just points out—and as I said, sometimes that may for some reasons smack of partisan politics, but I think when we are talking about who pays and it is a real issue that somebody has not paid their bill but yet can go on and for one reason or another remain not to pay that bill, I think that is a problem and I would hope that we would first of all not allow that to happen again, for all people, the consumers, my constituents, your customers, because that is not a fair situation.

And beyond that, I would hope we could move forward and look at positive things. I have appreciated the testimony that both you, Mr. Weeker and Mr. Porter and Mr. Fields have given. I hope you are successful. Our careers and in some sense reputation depend on how well government works and quasi-government organizations like yourself work, and it is our responsibility to make sure that you get better and take—what do I say—the ability for you to take those targets of opportunity and make sure that they are real targets of opportunity.

With that, I am going to yield back my time.

Mr. MCHUGH. I thank the gentleman.

Have you received the bond as yet? You had not as of October 7.

Mr. WEEKER. I do not know. Our general counsel is handling that.

Mr. MCHUGH. Would you check on that for us?

Mr. WEEKER. Yes, we can and get back to you.

Mr. MCHUGH. And also, perhaps general counsel would have to answer this as well, but I am interested in this for a variety of reasons, but particularly as Congressman Hastert said, as a revenue issue; as you know, gentlemen, the GAO has issued a report that cites the loss of hundreds of millions of dollars potentially on bulk mail throughout this Nation. And I think it is incumbent upon all of us to ensure that we get those revenues that are available at every possible opportunity. But it is also my understanding the bond you have accepted is some \$90,000 less than the entire deficiency. Why is that figure—

Mr. WEEKER. I am not sure why. That was a figure that was agreed on in the court process.

Mr. MCHUGH. You are not sure why?

Mr. WEEKER. No.

Mr. MCHUGH. Well, also for the record, could we have an answer to that?

Mr. WEEKER. Sure.

Mr. MCHUGH. There may be a very logical reason but \$90,000 is a considerable amount of money, not to have it covered under the performance bond.

Mr. HASTERT. A lot of stamps.

Mr. MCHUGH. I appreciate that.



Mr. Fields, you said that you were disappointed—you were not pleased, is the word you used—understandably when your numbers dropped at the opening of your new facility. Were you surprised by it?

Mr. FIELDS. No, sir, surprise would indicate that I did not have any control over those operations and was not able to keep my finger on the pulse daily of what our performance was and how we were performing. So I don't want to say that I was surprised. We have just a multitude of internal diagnostics that we utilize each day to—sub-indicators of our performance—that we use to make sure that we are heading in the right direction and that we have the level of control over our operations that we need, everything from inventory management—because we have a constant flow of trailer loads of mail that enter the city of Chicago over a 24-hour period, it is non-stop. So we manage those inventories and measure our performance based on how well we are doing with that. We also do a multitude of quality tests, quality assurance tests, that give us some indication of our performance in all of the different segments of our mail product which goes from a magazine to a newspaper to a typewritten letter, to a handwritten letter, and so on. So surprise would be the wrong choice of words.

Did we anticipate some difficulties? Yes, we did. We anticipated that it was not going to be easy, and as Mr. Weeker alluded to, we looked at the history of other experiences in other major metropolitan areas. We do not build these type of buildings nor have these numbers of employees in very many places, so we have a limited experience to build from. But we anticipated difficulties and we anticipated that it was going to be extremely challenging over a 4-month period to move all those people and all that mail and not have any decline.

Mr. MCHUGH. You must have been excited by all those targets out there of opportunity. [Laughter.]

Mr. WEEKER. Targets everywhere, sir, targets everywhere, every day.

Mr. MCHUGH. A number of us got together informally, almost socially, last night and we were just discussing things and one of the more intelligent members of the very intelligent staff here—and I will not single her out—in the discussion said well, you know, 86—she said it much more eloquently than this, but I am going to paraphrase it—dropping from 86 to 80 is a big drop and if you know you are going to have this kind of switch over, perhaps it could be argued that you should have planned for it better. I think that is a legitimate question. From your answer, it would seem to say that if we did not do such a great job, our numbers would have dropped down below 50 or so. How would you respond to someone who might have that view?

Mr. FIELDS. Mr. Chairman, we should have maintained our service level throughout the move, that was our commitment going into it and I cannot sit here and try to give you any excuse why we did not. As to should we have planned better, well obviously we should have planned better and there had to be other targets of opportunity, if I may, that would have allowed us to stay at that 86 or to continue to improve as we had done for the seven or eight quarters prior to that.

However, we do not have control over all the variables when it comes to that 9 million pieces of mail each day. We rely on millions of customers to give us that mail and to prepare it and to present it to us. And so not having total control over the product as you do in a manufacturing environment where you produce it internally and you can measure each stage of the process, it is a little more difficult, a little more challenging.

We believe that based on—we went through a fact-finding mission 2 years ago, very quickly, to determine what were the most dangerous aspects of this move, as it related to service and making sure that we continued to improve service. We looked at everything from the difficulties that we might experience with our employees because I think it is important to add as well, we have reduced significantly the number of employees in the Chicago plant as we have gone through this effort. And that is necessary, as in any business, when you make an investment the size of the one we made in Chicago in that facility, and we added all of the technology and the automation, it is paid for in reductions to labor costs, to some degree. And that is what we expected there.

So we reduced the number of the work force. We were very pleased that we were able to influence the local unions that we have to negotiate with to move 1,500 employees 30 miles out west, in some cases adding as much as 45 minutes or an hour a day in commuting time back and forth to work. So we had to deal with all those variables as well as the Price Waterhouse measurement.

So could we have planned better? Absolutely. Should we have planned better? Absolutely. And I think the entire organization will learn from this experience.

Mr. MCHUGH. An honest answer and I appreciate that.

You are up to snuff now or are you still getting your water wings? Moving is one thing, as a physical act; the acclimation I would suspect is another. How is that going? You made a very bold and I think courageous statement about predicting rebounds, but are you going to rebound totally in just the next quarter? Three months is—

Mr. WEEKER. Mr. Chairman, the answer is yes. Our current indicator is already showing us getting back up to snuff. I believe that the pledge that Rufus led and my comments here are clearly doable and will be done this year. You will see Chicago joining the other major metropolitan areas in terms of their level of service as measured by our external measurement factors.

Also, the other things that Rufus talked about are real critical I think here in Chicago, the Customer Advisory Council, the Postal Customer Council—and you will hear from some people from there—because that gives us a greater look into what our customers require. The other part of this is we are continuing to work with our business customers who, if the post office does not do a good job, has an immediate and significant impact on them. And they give us excellent feedback on what we are doing right and what we are doing wrong. And we continue that. I have got to compliment, in fact, both Rufus and David for the kind of dialog they have started and continue with that community.

So the answer is yes, we are rebounding; the answer is we are going to be joining the other metropolitan areas in the United

States. As I indicated before, in those other large cities, they built new facilities, they went through very significant problems, their moves were not as smooth as were accomplished in Chicago and those places are performing, as you indicated, up around the 90 category. Chicago will be there.

Mr. MCHUGH. OK. Any questions?

[No response.]

Mr. MCHUGH. Well, gentlemen, we thank you for appearing here today. As Congressman Flanagan said, it is a lovely city, I would like to come back and spend some more time and you may be my excuse if you do not meet that pledge. [Laughter.]

Mr. PORTER. Well, think positive, Mr. Chairman. We would like you to come back anyway.

Mr. MCHUGH. It is a target of opportunity.

Mr. WEEKER. Could we rephrase that and say we will be your excuse because we did meet the pledge.

Mr. MCHUGH. OK, that is even better. But thank you, gentlemen, and we look forward to continued progress.

We have one more panel, but we are going to take just a 10-minute break here so people can stretch their legs, and we will come right back in 10 minutes. We stand in recess.

[Recess.]

Mr. MCHUGH. We will resume and return to order.

Our final panel for this afternoon is comprised of Mr. Allan Bennett of the Postal Advisory Council; Mr. Donald Gutowski, village trustee, village of Norridge; Carolyn Hill, who is executive co-chairperson of the Customer Advisory Council and Diane Winter, who is the industry co-chairperson of the Postal Customer Council. We thank you all, No. 1, for being here, but also for your patience in sticking with us through this. We are looking forward to your comments. For no other reason than it is just habit, we usually start at the end of the table and work our way down, unless you have another suggestion or preference.

We need to swear you in—we do not really need to because I know you are all honest people, but practice says.

[Witnesses sworn.]

Mr. MCHUGH. The record will show that all four witnesses responded in the affirmative.

As I was saying, we will start on this end of the table, Mr. Bennett, and work down, if that is agreeable to all of you. Mr. Bennett, thank you for being with us, sir, we look forward to your comments.

**STATEMENTS OF ALLAN BENNETT, POSTAL ADVISORY COUNCIL; DONALD GUTOWSKI, VILLAGE TRUSTEE, VILLAGE OF NORRIDGE; CAROLYN HILL, EXECUTIVE CO-CHAIRPERSON, CUSTOMER ADVISORY COUNCIL; AND DIANE WINTER, INDUSTRY CO-CHAIRPERSON, CHICAGO POSTAL CUSTOMER COUNCIL**

Mr. BENNETT. Thank you, Chairman McHugh, for asking me to testify before this subcommittee this morning.

I can see that some of my written testimony would be superfluous and tangential to the thrust of the committee's efforts this

morning; therefore, I will try to summarize and paraphrase to facilitate the meeting.

I serve as the chair of our Customer Advisory Council, which serves Zip Code 60707, which used to be 60635. The Postal Advisory Council structure was an innovation established by District Manager Rufus Porter to provide citizen input to each local station manager to assist them in improving the quality of mail service to the residents in their respective Zip Codes. Each Zip Code has its own council to work with local management. I think this is a truly innovative idea on the part of Mr. Porter and I think he really is committed to the concept of utilizing advisory councils to help improve postal operations in Chicago.

The village of Elmwood Park is a community of 23,206 residents. Demographically, we are an extension of the Chicago communities of Galewood and Mont Clare; however, politically, we are a separate municipality since 1914. Our 607 Zip Code is serviced by a local station in Elmwood Park, which has 26 letter carrier routes in Elmwood Park and 13 in the Chicago communities of Galewood and Mont Clare. Our 12-member council was established in May 1995 and includes two current village trustees, myself and Trustee Carmen Forte, as well as the former village president of Elmwood Park.

The concerns of our citizens and the difficulties they had been experiencing with mail service prompted our President Peter Silvestri, to make sure that this council became a force for positive change in our area and therefore made the commensurate appointments. At the same time, President Silvestri had been working with Mr. Rufus Porter and Congressman Flanagan to seek an all suburban Zip Code for the village of Elmwood Park that would be exclusively for the 26 letter carrier routes in Elmwood Park.

Immediately upon its inception, the council pursued many activities, including onsite visits to our local postal facility and the new Irving Park Road processing plant, as well as reviewing audio-visual and printed materials. We issued a survey to all the residents to ascertain their problems and concerns. That is attached to my written comments. The survey was very well received by the community. We mailed out 15,847 instruments and we had 2241 returned, which is a response rate of 14.1 percent, which is very good for an unsolicited mail questionnaire. Our council used the results of this survey to determine future meeting agendas to improve our mail service in Elmwood Park. We also disseminated a series of newsletters with topical information regarding postal services, a copy of which is attached to my remarks. We work with our local public access channel to better inform the public about postal operations. With the assistance of the local manager, we initiated a local overnight delivery service for Elmwood Park. That is to say, if customers are mailing a letter from one address in Elmwood Park to another address in Elmwood Park, we have two specially designated boxes. That mail never leaves Elmwood Park. It stays right in Elmwood Park and is guaranteed overnight delivery for our residents. We have also had a series of monthly meetings with our local station manager to improve service within the confines of the village.

Now at the same time these events were unfolding, President Silvestri was working with Mr. Porter and Congressman Flanagan to obtain an all-suburban Zip Code for the village of Elmwood Park. This has been our goal since 1986 because the private sector has been using the Zip Code numbering structure for purposes for which it was never intended; i.e., the aggregation of experiential claims data by insurance companies. At a joint news conference held on March 4, 1996, President Silvestri, Postmaster Porter and Congressman Flanagan announced the village would be receiving a new all suburban 60707 Zip Code effective July 1, 1996.

Unfortunately, because of a breakdown of communication on Mr. Porter's part, it was later learned that this Zip Code would still have to be shared with the city of Chicago. The continued inclusion of this Zip Code—of the city of Chicago within this Zip Code generated a great deal of consternation and cynicism within the village of Elmwood Park. Hopefully, if our residents begin to see adjustments in selected insurance premium rates, these concerns will be ameliorated.

My third attachment is a chronological history of the events leading up to the creation of the new Zip Code and some of the problems and communications difficulties that were experienced.

Now, I am only chairman of one Customer Advisory Council, my point of fixation, of course, is 60707. Therefore, my following comments should not be construed as being definitive, but rather one chairman's opinion. With that caveat in mind, I would offer the following possible explanations for the latest quarterly decrease in overnight delivery rates experienced in the Chicago district:

Possible continuing problems with the district's conversion to the full implementation of Delivery Point Sequencing, No. 1.

No. 2, continuing problems with the equipment at the new Irving Park Road processing facility. I know when that was initially installed, a great many administrators and managers from the Van Buren Street Central Office had to work several weeks or months out there to get the mail out. Our account representative for the Illinois Department of Employment Security was throwing mail there for the better part of a couple of months.

Third, continuing problems resulting from the move of the Central District Office to the new facility on Harrison Street. I believe Mr. Fields and Mr. Porter discussed that earlier.

Fourth and possibly most important in my mind, continuing personnel problems stemming from an unduly restrictive collective bargaining agreement which shackles the hands of management to effectively implement personnel changes on a timely basis. As chair of our Advisory Council, I have seen the effects of this unduly restrictive collective bargaining agreement. It takes management 18 months if an employee utilizes their appeal rights to get rid of an unproductive, uncooperative employee. If that employee happens to be a letter carrier, management cannot fill that route with a permanent replacement. Management must use temporaries to deliver the mail until that case is fully adjudicated.

Now as it turns out, my particular mail route is in this exact scenario at the present time. Local management is in the process of removing the permanent certified letter carrier. My mail is continually being delivered by temps. We can get mail at any time of the

day, sometimes 5, 5:15 or 5:30, 6, sometimes we receive two mail deliveries in a day. Now how that happened, I do not know. That is endemic with the beast of using temporary mail carriers. I feel that this is a disservice to the customers, that this unduly litigious process must be completely consummated before I as a user of the post office can get quality, dependable mail service at my home.

Now while I was in the process of conducting my research for this testimony, I became aware of the Chicago district's recently initiated Local Customer Index Program. Now it is ironic that this effort very closely parallels my own independently arrived at conclusions and I very strongly urge that this program be completed and rolled out.

Under this new program, an independent market research firm will administer random sample surveys of customer service issues within each Chicago Zip Code. These survey results are then aggregated by Zip Code and more importantly, letter carrier route within each Code to allow management to pinpoint problems to the letter carrier route level. Stations that fall behind pre-established service measures would then be subject to action by management intervention teams that would be sent out to rectify perceived deficiencies. Subsequent follow-up surveys would then be administered to measure the effectiveness of the management intervention team efforts.

I personally am hopeful that these procedures will yield meaningful prescriptive changes within the Chicago district. In addition, I would also implore the U.S. Postal Service to involve the Advisory Councils in these processes.

Once again, Chairman McHugh and subcommittee members, I thank you for allowing me to make this presentation and I will gladly entertain any questions you may have at the appropriate time.

Mr. MCHUGH. Thank you, Mr. Bennett. As we did on the prior panel, I would prefer we just take all the testimony and then we will get into questions and answers in an aggregate.

Mr. Gutowski, welcome.

[The prepared statement of Mr. Bennett follows:]

**TESTIMONY OF ALAN L. BENNETT  
BEFORE THE  
US HOUSE OF REPRESENTATIVES SUBCOMMITTEE ON THE POSTAL SERVICE  
(OCTOBER 11, 1996, 10:00 AM, DE PAUL UNIVERSITY LIBRARY)**

Chairman McHugh, I would like to thank you for inviting me to testify before this Subcommittee regarding the operations of the United States Postal Service(USPS) in the Chicago District. I currently serve as chair of the Elmwood Park Postal Customer Advisory Council, which serves ZIP Code 60707.(Formerly 60635) The Postal Advisory Council structure was established by Rufus Porter, Postmaster for the Chicago District, to provide citizen input to each local station manager to assist them in improving the quality of service to the residents in their respective ZIP Code. Each ZIP Code within the Chicago District has its own council to advise local management and Mr. Porter has assigned a senior level administrator to work with the councils to provide them with logistical and financial support. In my opinion, Mr. Porter is truly committed to the concept of utilizing the advisory councils to improve postal operations within the Chicago District.

The Village of Elmwood Park is a community of 23,206 residents and is a near western suburb that borders on the City of Chicago. Demographically, Elmwood Park is an extension of the Chicago communities of Galewood and Mont Clare, however, politically, it has been a separate municipality since 1914. The 60707 ZIP Code, which is serviced by a local station located in Elmwood Park, includes approximately 26 letter carrier routes in Elmwood Park and 13 routes in the Chicago communities of Galewood and Mont Clare. When our twelve member Council was being formed in May of 1995, Elmwood Park Village President Peter Silvestri asked two current Village Trustees, including myself, and a former Village President to serve on the Council. Given the continuing difficulties that Elmwood Park residents were experiencing with poor postal delivery service, President Silvestri wanted the Council to be positive force for change, and, therefore, made the commensurate appointments to the Council. At the same time, President Silvestri began working with Mr. Porter and Congressman Flanagan to seek an all-suburban ZIP Code for the Village that would be exclusively for the 26 letter carrier routes in Elmwood Park.

**ALB TESTIMONY****Page Two**

Immediately upon its inception, the Elmwood Park Postal Customer Advisory Council pursued the following activities:

- Conducted on-site visits to the local postal facility and the new Irving Park Road Processing, as well as reviewing printed and AV materials on the USPS
- Issued a survey to all the residents of then ZIP Code 60635 to ascertain their problems and concerns with the USPS(See Attachment One)
- Used the survey results to determine future meeting agendas to improve delivery service within the Village
- Issued a series of newsletters to each resident of ZIP Code 60635(See Attachment Two)
- Worked with the staff of Channel 19, the local public access channel, to inform the public about postal operations
- With the assistance of the USPS, initiated a local overnight delivery service for the Village
- Held monthly meetings with the local postal station manager to improve postal service and listen to the concerns of the residents of ZIP Code 60635

While these events were unfolding, Village President Silvestri was working with Mr. Porter and Congressman Flanagan to obtain a new all-suburban ZIP Code for the Village of Elmwood Park. This had been a goal of the Village since 1986 because the private sector has been using the ZIP Code numbering structure for purposes for which it was never intended, ie. the aggregation of experiential claims data by insurance companies. At a joint news conference held on March 4, 1996, President Silvestri, Postmaster Porter, and Congressman Flanagan announced that the Village would be receiving a new 60707 ZIP Code, effective July 1, 1996. Unfortunately, because of a break down in communications, it was later learned that this ZIP Code would still have to be shared with the City of Chicago.(See Attachment Three) The continued inclusion of the City of Chicago in the new 60607 ZIP Code generated a great deal of consternation and cynicism within Elmwood Park. Hopefully, if residents begin to see adjustments in selected insurance premium rates, these concerns will be ameliorated.



**ALB TESTIMONY****Page Three**

As chairman of only one Customer Advisory Council, my point of fixation is ZIP Code 60707. Therefore, my following comments should not be construed as being definitive, but rather one chairman's opinions. With that caveat, I would offer the following possible explanations for the latest quarterly decrease in overnight delivery rates for the Chicago District:

- Continuing problems with the Chicago District's conversion to the full implementation of Delivery Point Sequencing
- Continuing problems with the equipment at the new Irving Park Road Processing Facility
- Continuing problems resulting from the move of the Chicago District Central Office to the new facilities on Harrison Street
- Continuing personnel problems stemming from a unduly restrictive collective bargaining agreement, which shackles the hands of management to effectively implement personnel changes on a timely basis

While I was in the process of conducting my research for this testimony, I became aware of the Chicago District's recently-initiated Local Customer Service Index Program. Since this effort very closely parallel's my own independently-arrived at conclusions, I would like to very strongly urge the continued roll-out of this program. As I understand it, this new program consists of the employment of an independent market research firm to administer random sample surveys of customer service issues within each Chicago ZIP Code. The survey results are then aggregated by ZIP Code and letter carrier route within each code to allow management to pinpoint problems to the letter carrier route level. Stations that fall below pre-established service measures would then be subject to action by management intervention teams that would be sent out to rectify perceived deficiencies. Subsequent follow-up survey efforts would then be administered to measure the effectiveness of the management intervention team efforts. I am hopeful that these procedures will yield meaningful prescriptive changes within the Chicago District. In addition, I would implore the USPS management to involve each advisory council in this process.

Chairman McHugh and Subcommittee members I again thank you for allowing me to make this presentation. I would gladly entertain any questions you may have at this time.

ATTACHMENT ONE

## UNITED STATES POSTAL SERVICE

### SURVEY OF CUSTOMER SERVICE ISSUES

As part of its continuing pursuit of total quality management, the United States Postal Service (USPS) recently established a Customer Advisory Council for Zip Code 60635, which includes both Elmwood Park and parts of the City of Chicago. Local Station Manager Lindsey Sims convened the initial meeting of the Council on May 10, 1995. The Council membership includes twelve Elmwood Park and Chicago residents, including current Elmwood Park Village Trustees Carmen Forte, Alan Bennett, and former Village President, Richard Torpe. The Council is chaired by Elmwood Park resident Dawn Pfeifer, who will be working with the Council membership to advise and assist Station Manager Sims with his efforts to improve the quality of service to the residents of Zip Code 60635. At its second meeting, held on June 29, 1995, the Council agreed to pursue the following activities:

- Gain a better understanding of the operations of the United States Postal Service by conducting on-site visits to the local postal facility on Fullerton Avenue and the new Irving Park Road Processing Facility, as well as reviewing printed and audio-visual materials explaining the services provided by the USPS
- Issue a survey to all the residents of Zip Code 60635 to ascertain their problems, concerns, and special needs as they pertain to postal delivery services
- Use the results of this survey to serve as a future agenda for the Council to work with Station Manager Sims to better meet the needs of the residents of Zip Code 60635
- Work with the staff of Channel 19, the Elmwood Park Public Access Channel, to inform the public about the Council's activities and the USPS efforts to move toward a more customer-orientated mode of operation

Since the survey on the next page is such a vital part of the Advisory Council's efforts to improve our local postal delivery services, please carefully answer each applicable statement on the survey in an honest and forthright manner. Circle only one response for each statement. Additional questions or commentary should be written in the **Additional Comments** segment on the next page. If you would like to be contacted by a member of the Advisory Council, please provide your mailing address and/or telephone number in the **Additional Comments** segment. In order for the Advisory Council to promptly address the concerns raised in this survey effort, please complete the survey within five days of your receipt of this document and return it to the Council in the enclosed self-addressed envelope. This envelope can either be mailed or turned in at the Elmwood Park Post Office, 7300 West Fullerton Avenue, Elmwood Park, Illinois.

Several minutes of thoughtful consideration in the completion of this survey will go a long way to help the Advisory Council work toward the improvement of our postal delivery services. In addition, Station Manager Sims has established two new Direct Customer Service telephone numbers for the general public to utilize, (708) 453-9496 and (708) 453-9193, so please feel free to contact him if you have a question or concern regarding your postal delivery services.

**PLEASE TURN THE PAGE TO COMPLETE THE SURVEY**

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**ELMWOOD PARK POSTAL CUSTOMER ADVISORY COUNCIL  
RESULTS OF THE SURVEY OF CUSTOMER SERVICE ISSUES  
(October, 1995)**

No. Of Surveys Mailed:15,847      No. Of Responses:2,241      Response Pct.:14.1%

	<u>Service Issues</u>	<u>Response Pct.</u>		<u>No. Blank</u>
		<u>True</u>	<u>False</u>	
1)	The mail is not delivered according to any established time frame and is delivered anytime between 1:00 PM and 6:00 PM.	67.3%	32.7%	122
2)	The majority of my mail deliveries are crumpled and stuffed into my mail box or slot.	22.8	77.2	110
3)	I've noticed that about one-third of my 1st Class mail took 4 or more days to go from one delivery point to another within the Chicago Metropolitan Area.	57.5	42.5	292
4)	The majority of my mail is delivered after 4:00 PM.	23.6	76.4	132
5)	I have noticed that there are frequent changes in the mail carriers who are not familiar with the route.	59.8	40.2	230
6)	The majority of the mail delivered to my place of business comes before Noon.(Answer only if you have a business establishment in Zip Code 60635)	43.1	56.9	2,039
7)	I would utilize the local postal facility more if it stayed open until 6:00 PM, instead of 5:00 PM.	47.9	52.1	214
8)	I have trouble getting magazines and newspapers delivered.	18.5	81.5	179
9)	1st Class mail is often co-mingled with circulars and magazines.	62.8	37.2	147
10)	My mail is stuffed between the doors and not placed in the box or mail slot.	8.2	91.8	163
11)	I receive cordial treatment when I call the local postal facility for assistance.	61.7	38.3	426
12)	I am treated courteously by the clerks when I visit the local postal facility.	63.9	36.1	259
13)	There are usually delays when I visit the local postal facility.	59.3	40.7	276
14)	Special postal services should be offered the homebound.	77.8	22.2	1,005

**ELMWOOD PARK POSTAL CUSTOMER ADVISORY COUNCIL  
RESULTS OF THE SURVEY OF CUSTOMER SERVICE ISSUES  
FREQUENCY DISTRIBUTION OF THE FREE FORM COMMENTS**

<b>No. Of Responses</b>	<b><u>Free Form Comments</u></b>
162	Elmwood Park should have its own unique suburban ZIP Code.
172	I frequently receive my someone else's mail.
158	The clerks at the Elmwood Park postal station are rude and discourteous.
077	The substitute mail carriers provide poor service to their customers.
158	I always go to another suburban postal station, rather than the Elmwood Park postal station, because I receive friendlier and more efficient service at these facilities.
022	The supervisory personnel at the Elmwood Park postal station are not courteous or very knowledgeable.
084	The service I receive when I visit the Elmwood Park postal station is poor and the lines are too long.
008	The Elmwood Park postal station lacks adequate off-street parking facilities.
120	The mail carrier who delivers my mail is efficient, courteous, and dependable.
014	In the majority of instances, I get a busy signal when I call the Elmwood Park postal station.
036	I have noticed a recent improvement in the service and more courteous staff when I have visited the Elmwood Park postal station.
027	I drive to another suburban community to mail my letters because the service is faster.
103	I don't get all my mail.

## NEW ALL SUBURBAN ZIP CODE ANNOUNCED FOR ELMWOOD PARK

In a joint press conference held on March 4, 1996 at the Elmwood Park Village Hall, Elmwood Park Village President Peter N. Silvestri, Congressman Michael P. Flanagan, and Mr. Rufus F. Porter, Postmaster for the Chicago District, announced that the Village of Elmwood Park will be receiving a new all-suburban ZIP Code. The new number will be 60707. This conversion will take place on July 1, 1996. Elmwood Park residents were advised not to use this new ZIP Code number prior to July 1, 1996 because the Postal Service will not be able to process this new number prior to this date. All three individuals congratulated each other for the fine work each respective office had displayed to make this conversion a reality.

The Elmwood Park Postal Customer Advisory Council is advising each resident of the Village of Elmwood Park and especially businesses, to be cautious in ordering envelopes, letterhead stationary, booklets, or any other printed materials that contain your ZIP Code. Even though the Postal Service will accept the old ZIP Code for one year after July 1, 1996, every resident is encouraged to make the conversion as quickly as possible to avoid any possible confusion. The Council will be working with the United States Postal Service on a promotional campaign to make all the residents of Elmwood Park aware of this changeover. For further information, call Mr. Lindsey Sims, the Elmwood Park Station Manager, at (708) 453-9010.

## NEW LOCAL DELIVERY SERVICE TO BE IMPLEMENTED

Commencing on May 1, 1996, at the request of the Council, the United States Postal Service will initiate local only delivery service for Elmwood Park. There will be two green and white mail boxes with the Village of Elmwood Park seal set up to accept only mail that is being sent within our local ZIP Code. One box will be located at the Fullerton Avenue Postal Station and the second will be located in the Village Mail Parking Lot next to the Drop Off Box for water bills. Local mail deposited in these two boxes will never leave Elmwood Park. The letters will be canceled at the Fullerton Avenue Facility and delivered the next day. Any letter deposited in one of the two local only delivery service boxes by 3:00 PM will be delivered on the next day within the Village of Elmwood Park. In addition, anyone desiring to mail a local only delivery letter can also give it to the clerk at Customer Service Counter at the Fullerton Avenue Facility.

## CREDIT CARDS ARE NOW ACCEPTED AT OUR LOCAL POSTAL FACILITY

Customers conducting business at the Fullerton Avenue Postal Facility may now use credit cards to pay for the purchase of postal services or supplies. The Facility will accept American Express, VISA, MasterCard, Discover, and ATM Debit Cards. Any postal product or service, such as, purchasing stamps or re-setting a postal meter, can now be paid for with a credit card. Refunds can be processed for purchases made with a credit card, but not an ATM Debit Card purchase. Now it's more convenient than ever to transact your business at our local Fullerton Avenue Postal Facility!

## PRIORITY MAIL SERVICE EXPANDED

Starting on March 25, 1996, the United Postal Service's Priority Mail Service has gone international. Previously, the Priority Mail Service was limited to the continental United States. Now the Service has been expanded to include deliveries to Western Europe, the Pacific Rim, and Canada. For further information, including the rates, please call the Customer Service Counter at (708) 453-9010 or 9011.

## ELMWOOD PARK STARTS DELIVERY POINT SEQUENCING

Perhaps you have recently received mail from a commercial mailer with a ZIP Code number of 60635-1404 and an (11) digit bar code in the lower right hand corner of the envelope. In case you're wondering, this is your new Delivery Point Sequence number for your home, or place of business. On June 1, 1996, Delivery Point Sequencing will start at the Elmwood Park Fullerton Avenue Postal Facility. The United States Postal Service is in the process of implementing this new procedure nationwide to improve the efficiency and accuracy of your mail deliveries. Under the old procedures, each mail carrier would have to manually sort their mail by street number and address prior to delivering your mail. Under Delivery Point Sequencing the mail will come to the Fullerton Avenue Facility already sorted by letter carrier route and street address and number. Your mail carrier will now have more time to ensure that your mail is delivered on a timely and accurate basis. This is yet another example of how the United States Postal Service is using technology to improve its services to the American public.

## AN ELMWOOD PARK MAIL CARRIER YOU SHOULD KNOW

Mr. Lindsey Sims, Station Manager at the Elmwood Park Postal Facility, would like you to meet Anita M. Ford, a mail carrier who exemplifies the kind of dedicated postal employee that serves the Elmwood Park community. Ms. Ford started her career with the USPS as a mail handler in October of 1987. She became a full-time mail carrier in February of 1991 at the Roger's Park Postal Facility, where she received numerous verbal and written citations for her superior service to her customers. She transferred to the Elmwood Park Facility in May of 1993 and now is the permanent mail carrier for Route No. 16, which includes Sunset and Elmgrove Drives from the 7700 to the 7900 blocks and segments of surrounding streets. This route has 347 deliveries each day and requires 2,865 steps to be climbed every day. In 1994, she successfully completed classes at the US Postal Academy to become a certified on the job instructor, and now performs instructional responsibilities here in Elmwood Park. While in Elmwood Park, she has received several verbal compliments, two Letters of Commendation with Certificates of Appreciation from Rufus Porter, the Chicago District Manager Postmaster, and one safety award. She has also submitted two idea proposals for improvements that are now under evaluation. In addition to all this, she has created several computer graphic design projects at the request of the Elmwood Park Station Manager. Ms. Ford is just one of many dedicated postal employees you will be hearing about in subsequent editions of this newsletter.

## YOUR ADVISORY COUNCIL IS ACTING ON THE SURVEY RESULTS

In October of 1995, the Elmwood Park Postal Customer Advisory Council sent its SURVEY OF CUSTOMER SERVICE ISSUES to 15,847 households within ZIP Code 60635. The Council received and 2,241 completed surveys, which is an excellent response rate of 14.1 percent. The results of the survey indicated that the following are your major concerns:

- Mail is not delivered according to any established time
- 1st Class mail takes 4 or more days to be delivered in the Chicago "Metro" Area.
- There are frequent changes in mail carriers who deliver to the route.

DCT-00-1996 14:42

- The majority of business mail is not delivered before Noon.
- 1st Class mail is often co-mingled with circulars and magazines.
- There is a lack of courteous treatment by the clerks at the Fullerton Avenue Facility and, often times, lengthy delays before you can get to the counter.

Your Advisory Council has been reviewing each of these issues individually with Mr. Sims, the Elmwood Park Station Manager and working to improve service to the residents of the ZIP Code. The Council has also met with the Acting Area Manager, and he has outlined the steps he has taken to improve the timeliness, accuracy, and dependability of your mail service.

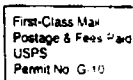
You'll be happy to know that the Elmwood Park Facility no longer utilizes temporary mail carriers because we now have our full complement of certified full-time mail carriers, substitutes, and permanent "floaters". Since mail is delivered six days a week and

P. 09

mail carriers work five days a week, there is a permanent "floater" assigned to five carrier routes to cover regular days off, and substitutes to cover for vacations and unexpected illnesses. However, you should be aware that certain days of week will inherently produce some delays in mail delivery because of the unusually high volume stemming from Social Security checks and commercial advertising circulars.

Please drop us a line and let us know if you see any improvements in your mail delivery, or if you have any questions or concerns. Send your correspondence to **Elmwood Park Postal Customer Advisory Council, PO Box 35027, Elmwood Park, IL 60635-0027**. Subsequent newsletters will keep you advised on local postal matters.

ELMWOOD PARK  
POSTAL CUSTOMER ADVISORY COUNCIL  
PO BOX 35027  
ELMWOOD PARK IL 60635-0027



POSTAL CUSTOMER

Attachment 11/22/96

**HISTORY OF THE NEW 60707 ZIP CODE**

- **INTRODUCE THE VOLUNTEER COUNCIL, MR BRAND, AND MR. VALENTINE**
- **IN 1986 THE VILLAGE OF ELMWOOD PARK FORMED A CITIZEN'S VOLUNTEER COMMITTEE TO SEEK A NEW ALL SUBURBAN ZIP CODE, SEPARATE FROM THE CITY OF CHICAGO. THE VILLAGE'S EFFORTS INCLUDED:**
  - 1) **PRESIDENT SILVESTRI EXPANDED THE ZIP CODE COMMITTEE IN 1990 OR 1991 TO OBTAIN MORE VOLUNTEERS TO CONDUCT THIS EFFORT**
  - 2) **A VILLAGE-WIDE REFERENDUM WAS CONDUCTED AND THE VOTERS OVERWHELMINGLY SUPPORTED AN ALL-SUBURBAN ZIP CODE FOR ELMWOOD PARK**
  - 3) **A VILLAGE-WIDE PETITION DRIVE WAS CONDUCTED IN 1993 AND 5,342 SIGNATURES WERE COLLECTED DEMANDING AN ALL SUBURBAN ZIP CODE FOR ELMWOOD PARK (READ THE PETITION)**
  - 4) **PRESIDENT SILVESTRI SENT NUMEROUS LETTERS AND RESOLUTIONS TO THE POSTAL OFFICIALS AND ENLISTED THE SUPPORT OF CONGRESSMAN FLANIGAN AND SENATORS SIMON AND MOSELY-BRAUN**
- **MAY, 1995 USPS FORMS THE EPPCAC CONSISTING OF MEMBERS OF THE EP ZIP CODE COMMITTEE AND ADDITIONAL VOLUNTEERS FROM THE COMMUNITY**
- **MARCH, 1996 POSTMASTER RUFUS PORTER, PRESIDENT SILVESTRI, AND CONGRESSMAN FLANIGAN HOLD A JOINT PRESS CONFERENCE TO ANNOUNCE THE NEW 60707 ZIP CODE**
- **INITIALLY THE COUNCIL WAS TOLD THAT THE 13 CHICAGO LETTER CARRIER ROUTES WOULD BE ASSIGNED TO THE CRAGIN AND DUNNING STATIONS. THEN THE COUNCIL WAS TOLD THAT BECAUSE OF INSUFFICIENT SPACE THE 13 CHICAGO ROUTES WOULD REMAIN AT THE ELMWOOD PARK STATION, BUT WOULD RETAIN THE 60635 ZIP CODE**

## ZIP CODE HISTORY

PAGE TWO

- ON MAY 16, 1996 A LOCAL ELMWOOD PARK BUSINESSMAN INFORMED ME THAT HIS CUSTOMERS IN GALEWOOD WERE GETTING LETTERS FROM THE USPS SAYING THEIR ZIP CODE WAS BEING CHANGED TO 60707. ON THAT SAME DAY, I CONTACTED MR. BRAND AND HE INDICATED THAT THE 13 CHICAGO ROUTES WERE, IN FACT, BEING CHANGED TO 60707.
- IN AN EFFORT TO CONFIRM THAT FACT I ATTEMPTED TO CALL THE ACTING NORTHERN CHICAGO AREA MANAGER, MR. JOSEPH AYALA, ON MAY 16, 1996. AFTER ONE WEEK, HE CALLED ME ON THE MORNING OF MAY 23, 1996. I EXPLAINED TO HIM THE CONCERNS OF THE COUNCIL AND HE CALLED ME BACK TO SAY THAT THE CHICAGO ROUTES WOULD REMAIN 60635. THEN HE CALLED ME BACK AN HOUR LATER AND SAID HE WAS WRONG.
- AT THE COUNCIL MEETING OF MAY 23, 1996 THE COUNCIL UNANIMOUSLY PASSED THE FOLLOWING RESOLUTION OF CONCERN (READ RESOLUTION)
- THAT SAME EVENING I INFORMED PRESIDENT SILVESTRI OF THIS TURN OF EVENTS AND HE PROCEEDED TO CONTACT BOTH CONGRESSMAN FLANIGAN AND POSTMASTER PORTER TO SHARE HIS OPPOSITION TO THIS IMPLEMENTATION PROCEDURE.
- ON JUNE 6, 1996 POSTMASTER PORTER MET WITH THE COUNCIL, AT A SPECIAL MEETING, TO REVIEW WITH THE COUNCIL THE EVENTS LEADING UP TO THE USPS DECISION TO CONVERT THE CHICAGO ROUTES TO 60707. (READ MEETING NOTES)
- CENTRAL PROBLEM OF THE ZIP CODE NUMBERING STRUCTURE BEING USED FOR PURPOSES FOR WHICH IT WAS NEVER INTENDED. AGGREGATION OF EXPERIENTIAL CLAIMS DATA VS THE EFFICIENT DELIVER OF THE MAIL. AND A CONSEQUENT CLASSIC CASE OF A BREAKDOWN IN COMMUNICATIONS WITHIN THE USPS AND WITH THE COUNCIL AND LOCAL OFFICIALS.



**ZIP CODE HISTORY****PAGE THREE**

- **AS I SEE IT, AT THIS POINT IN TIME, THERE WILL BE A ROLE REVERSAL. WITH SOME CHICAGO MAIL NOW SAYING ELMWOOD PARK THAT MAY RESULT IN SOME REDUCED INSURANCE PREMIUMS FROM MID-SIZE AND SMALLER INSURANCE COMPANIES THAT DON'T HAVE THE MORE SOPHISTICATED COMPUTER PROGRAMS THAT LARGER COMPANIES LIKE ALLSTATE AND STATE FARM UTILIZE. BASED ON DAWN'S INTERVIEW WITH HER BROKER THERE COULD BE SOME SMALL REDUCTIONS, DEPENDING ON HOW THE INSURANCE COMPANIES INTERPRET THIS NEW ZIP CODE.**
- **QUESTIONS FROM THE AUDIENCE**
- **ADJOURNMENT**

**RESOLUTION**  
**OF THE**  
**ELMWOOD PARK POSTAL CUSTOMER ADVISORY COUNCIL**

Whereas the United States Postal Service and its representatives have been a source of conflicting information to the Council regarding the administrative implementation of the new 60707 ZIP Code

Whereas the Council was led to believe, based on statements from the representatives of the United States Postal Service, that the new ZIP Code of 60707, to be effective on July 1, 1996, would only apply to the letter carrier routes servicing the Village of Elmwood Park

Whereas the inclusion of the City of Chicago letter carrier routes in the new 60707 ZIP Code could have a significant economic impact on the residents of the Village of Elmwood Park

Whereas the residents of the City of Chicago letter carrier routes included in the new 60707 ZIP Code would be needlessly, and unnecessarily, inconvenienced by converting to a new ZIP Code

Now, therefore, be it resolved that the Elmwood Park Postal Customer Advisory Council is extremely disappointed to learn that the administrative procedures for the implementation of the new 60707 ZIP Code, as they are known to the Council, retain the City of Chicago letter carrier routes in the new 60707 ZIP Code. The Council furthermore recommends and supports the exclusion of these City of Chicago letter carrier routes from the new 60707 ZIP Code and their retention of their present 60635 ZIP Code designation.

Mr. GUTOWSKI. Thank you very much, Mr. Chairman, Mr. Hastert, Mr. Flanagan.

I wish to address two issues of concern to the businesses and residences of Norridge. Many of the issues which were enumerated by Mr. Bennett apply to our village also. In his awarding or receiving an award of a suburban Zip Code 60707, what the post office has done is transferred to the Chicago people that are included in that Zip Code the problems which were occurring to Elmwood Park. They merely transferred the group who is receiving it, because of not changing the boundaries of the Zip Code.

In our village, we have two Zip Codes, we have 60634 and 60656. I take exception to Mr. Fields' testimony when he was discussing the boundary change, and Congressman Flanagan had brought this up during Mr. Fields' testimony, in that the problems that he alluded to are with changing the Zip Code. When the Zip Code is already being changed, the change of the boundaries—that is the time to change the boundaries because the same problems exist whether you change the boundary or the Zip Code number.

The reason we want to change our Zip Code is that many times our village has to intercede on behalf of the postal patrons with the city of Chicago or other governmental bodies. We have a policeman in Norridge that had a temporary mail carrier and we assumed that was the reason he did not get his real estate tax bill. He received notice from the real estate tax people about the lack of paying the bill, and in finding his real estate tax bill, he saw that it was addressed to Chicago 60656 and therefore, the mail carrier many times when he sees the city of Chicago on a 60656 or 60634, sent it back to sender, they do not try to deliver it.

Also, if a person buys a car and the car dealer uses certain computer software, they type in the Zip Code and it automatically prints Chicago. I guess it is like a spell checker in some software. We have this occur many times to the businesses and residents of the village, where they get a dunning notice from the city of Chicago that they have not paid their wheel tax because the car dealer puts in Chicago 60656 instead of Norridge, IL.

That pretty much summarizes the boundary changes that we have been looking for.

We are unique in that the village of Harwood Heights and Norridge are totally surrounded by the city of Chicago. We have approximately half a square mile of property within the 60634 area code or Zip Code, and the other 2 miles or 2½ miles of the village are in the 60656. The request I originally started in January 1993, I had a meeting last summer with Congressman Flanagan and Mr. Porter in which they assured within the next 9 years we may get a change in our Zip Code.

There is one other problem that occurs in our area and that is from Saturday afternoon to Monday morning, we have no mail service in our area. If you go to our local postal drop boxes on the street corner, it does not tell you where to mail a letter after hours. It lists that the closest post office is in Harwood Heights on Gunnison Avenue. You go to the Gunnison Avenue post office and you get there and it says that if you wish this letter to be mailed, you must drive down to 433 West Van Buren, the Chicago Post Office, which is approximately 18 to 20 miles, depending where you are at in our

village. I personally know that the O'Hare facility is a lot closer, it is only 7 miles to go mail the letter. But the post office used to have certain designated post offices and they would be identified that if you wanted to mail a letter after hours you could drive to that post office and mail it. Now, the only one that I know of that is listed in the Chicago 606 areas are the Main Post Office downtown.

So that covers the two problems that I came here on.

Mr. MCHUGH. Thank you. Ms. Hill.

[The prepared statement of Mr. Gutowski follows:]

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P.02



## VILLAGE OF NORRIDGE

4000 N. OLCOTT AVENUE NORRIDGE, ILLINOIS 60834-1199  
708/453-0800

**PRESIDENT**

Joseph Sieb

**CLERK**

Judith Dunne Bernard

**ATTORNEY**

Bernard J. Hannessey

**TRUSTEES**

Steve Nobile

Donald W. Nanyast

Ursula A. Kucharski

Earl J. Pisci

Joanna X. Wheeler

Donald A. Gutowski

October 7, 1996

Mr. J. M. McHugh, Chairman  
Subcommittee on the U. S. Postal Service.

Dear Mr. McHugh,

There are two topics I wish to address that are of concern to the businesses and residents of Norridge. Norridge has two zip codes 60634 and 60656.

1) There are no Saturday evening or Sunday pick-ups of mail in our village. Our local drop boxes do not list the Main Post Office in downtown Chicago or O'Hare Postal facility as the after hours drop off location.

In the interest of service couldn't the Postal Service locate several Post Offices throughout the county that could better serve the public in the off hours?

2) Norridge is seeking a suburban zip code without any Chicago addresses included. Our neighboring village Harwood Heights has three different zip codes. The 60656 Post office building is located in Harwood Heights. Much of the mail I receive is addressed - Chicago, IL 60656. As a result of being a 606XX zip code our businesses and residents receive notices from Chicago governmental units and our village has had to intervene on their behalf to clarify they live in the Village of Norridge. Also the Insurance companies rate Norridge in with Chicago resulting in higher costs for our residents.

Our residents look forward to a resolution of these two topics.

Respectfully,

Donald A. Gutowski  
Village Trustee

Ms. HILL. Yes, chairman and Congressmen Hastert and Flanagan. I am glad to be here and I hope you will guide me through this. What I have to say I think, based on our experience with the main Chicago Executive Board of the Advisory Councils, is probably different from anything you have ever had at any of these subcommittee hearing meetings.

I have heard everything here I think clearly. It is projects that the executive board and the local councils are assisting Mr. Porter to identify and work on. And they are numerous.

One thing we are looking at is, we are working with Mr. Porter on this project from where he came in in mid-1994. A lot of things that have happened are across-the-board, across-the-country. They are happening in every area of the United States. When I was co-chair of Clearing, before taking on this position, we took a survey. We contacted businesses and banks and asked them if they would monitor, depending on their size, 200 pieces of mail coming in from various areas, as well as the small businesses with 50 pieces. What we found was that it falls into three categories—the mail coming from out of the State of Illinois, the mail that is coming from within the suburbs of Illinois to Chicago and then there is the inter-mail that is from Chicago to Chicago residents.

We found that locally in the Zip Code, there was some problem, but it was nothing that could not be worked with. We found out that there was a little more problem from the Zip Codes to downtown Chicago. We found the biggest problem being the mail from across the country into Chicago.

So we took a look at that and we started to try to understand exactly what some of the systems were in the postal system, so that we could properly identify what really is happening here. There were a lot of complaints, lot of news media, lot of hype about this, but yet, there was more to the story. Certain things were handled the way they should be, but we found this—when complaints are coming in from the customer, a lot of times it is geared by emotions, sometimes it is founded problems that occur, or it might be just demographics of age, location, and growth in the community. And what I mean by that is I will give you an example, walking across the grass. There is a regulation that provides to deliver the mail in the quickest and easiest way. And that permits the carriers to cross the grass. Well, when we get to the older communities, they are the ones that seem to complain the most and it is on an emotional basis because they do not want anybody crossing the grass. That can be easily taken care of if they would take that complaint to the station manager. And they have not been doing that. What would happen would be the station manager would turn around, contact the carrier and ask the carrier to no longer cross that area. Now if that were done throughout every station—we could somehow through the channels, with the cooperation of the post office and whoever instituted this regulation and, I would imagine it somehow had to come down from Federal regulations, I am not really sure. But if you were to change just that as a for instance, it would cut the time of efficiency and it would increase the cost factor to deliver a block of mail in connection with how many blocks of mail each carrier has to deliver. So these people have a right to complain about this. And that is one area of complaint.

We get a complaint from say somebody in the area who in my neighborhood of Clearing, where 35 years ago I was young and moved in there, mail was delivered pretty much by 12, 1 p.m. It was still pretty much farm land. Now it is so grown up in industry, the industrial community, you have got Midway Airport, you have got a lot of new apartment buildings and complexes that are going in, a lot of businesses. There is no space left in Clearing, it is back to back. With that increase, it is impossible, from what we have found in doing investigations on our end, to deliver the mail, all the mail by 12, 1. So everybody who used to get mail at an earlier time, they are a little upset that they are getting their mail at 2 or 3 or 4 p.m. So that is a big complaint.

Part of the things that the councils are doing are dealing with issues like this on a one-to-one basis as they come into the post office, sitting down with the station managers and working these issues out. And I remind you now this has just started since Mr. Porter took over. This kind of cooperative effort and ability to really find out what is underlying and the meat of the problem was not there before. The postal department previous to this, as far as we agree in local councils and the executive board has insensitivity to the running of the post office. Just because there are buildings and systems and there are updated automation, that does not guarantee the success. What guarantees the success and we are trying to help the local councils to understand that they have to understand the postal system and they have to look at this and view this from a business standpoint to turn everything around. Basically what needs to be done is the post office needs to be turned around and that is what we are doing with the cooperative efforts of Mr. Porter. We are going in there, we hassle things out, we find the channels that are required to solve the problems and we go after them. Much of the stuff we are trying to work out, we are trying to keep taking care of it at the local level so that the customer, if they will go into the station or call or write, can have it handled there.

Mr. Porter has agreed that there should be a quick 24 hour response to complaints to the station managers or the council members. Those things that take longer will have to be channeled to the appropriate area, especially if paperwork is involved. And one thing the post office has is an over-abundance of paperwork. Just as Mr. Bennett indicated, it takes a long time to get through that process. If there is a problem with a clerk and the clerk gets really out of line with a customer, if it is something that needs to be taken care of, they have that grievance process and it can slow it up. Mr. Porter is working with us to change that. We are trying to understand the issues that are connected with unions, though we do not get into the union situations. But we cannot help getting into many things because they overlap. When you are looking at a situation like this, everything seems to connect.

We have had carriers at the local level come and talk to the council members. The one thing they asked is they want to be treated like human beings. Also on the other end, in investigating we find out that sometimes the carriers do not really do their jobs and the station managers have quite a bit to do. So they are happy that we are there, we are getting input from them on the understanding of the postal system so that we can properly identify the

problems and then assist to correct them and channel them down and monitor them. We have no authority whatsoever under our mandate to make the changes, but we do have the authority to shake things up, to make sure that people are doing their job. And that is through the cooperative effort of Mr. Porter.

My understanding is, and I do not know the whole congressional system connected with the postal system for so many decades, but it is very evident that the post office has been just there, everybody has been working, but nobody has been paying attention to the bottom line. When the money was there from Congress, my understanding is—and our executive board understands this—if there was a shortfall, they would come to Congress and it would be discussed among the appropriate parties and that shortfall would be picked up. Well, now they have to learn how to run the post office as a business.

Business we know. Most of the members on these councils are business people and professionals that are in their own businesses, have contacts or as we have here, a village trustee. They are well aware of what is happening within certain areas. And what we do not know, we ask. We want to know from the post office, do we understand this to be correct, because this is what we found.

Some other areas I would like to address, for instance DePaul University and the University of Illinois, in regard to mailing system, and high rises. In high rises and condos, as a couple of people here testified, it is a very big problem. People are not putting their numbers on the high rises, there is a name—very difficult. A carrier can spend most of the day just delivering in one huge high rise building. What has happened with DePaul University and the University of Illinois? That mail, when a student leaves, does not go to the postal station manager for them to change it. The universities themselves make the changes and they do not always make the changes efficiently. So as a result, when mail is going back and forth, it is going back and forth because a proper chain of events did not occur, people did not do their job. That is what we are finding.

People now are becoming more aware. The councils are helping to unite not only the idea of the letter carriers working and having higher morale than what they do, the attitude of the clerks—there are problems with the attitudes of the clerks and top management is working on that issue too. And Mr. Porter is very firm on that issue. We have had a lot of complaints about that but yet the customer does not always go back to the postal station manager. It is only a few that will do it. I am one of them.

To give you an example, in 1994 the reason I got involved in this is because being a business person, I was getting a little upset at getting my mail every other day, every third day. What I did was in my other office, which is in a different county, had a post office data processing box set up, so that my receivables and my payables and my invoices from suppliers could be sent there, because at that time, I could not trust the mail to get me what I needed so I could have time for my discounts and as a business person get that mail in. Well, the Clearing area has changed an awful lot since we started working with it. Now, they are working individually on a one-to-one basis to try to meet the needs of the business community by



getting the mail there as quickly as possible so they can reach that deadline date from the bank and get their deposits in and be able to work with their discounting. We have had many business people complain they were fighting to get their discounts because of the mail. A lot of the mail was coming from outside the State of Illinois, not between Chicago and Chicago or suburbs and Chicago. We found this of great interest.

There are so many other things that are involved in this mail system. I believe if you had the chance to review my testimony, we have set in motion and just started this, with the city of Chicago aldermanic community. We came to them because they know their wards, they know their people, they know what is there and they have a pretty good idea what the problem is. We reached out to them to find out what their concerns were, if they had any suggestions. And when we did, we were very surprised. They came to us and said, not here are the problems, what are you going to do about it—they said here are the problems, how can we help you. We now have a beginning relationship where they are assisting us. And we are starting with one-third of the aldermanic council in the city of Chicago and they are working with us. Alderman Mary Ann Smith, her office is our test case and in the last 6 months, the efficiency, both between the complaints in her office and the mail system at the station in Uptown has improved immensely. Not only that, there is a better rapport between her ward and the Postal Service in getting things done. She is also helping to educate the public that they have to properly address their mail, and they have to put certain information on it.

And the station manager now and the other station managers have authority they did not previously have, under Mr. Porter's administration. They are getting a little excited about this program because now after, what is it, almost 2 years, everything is starting to fall into place and we are now ready to roll. That does not mean that this is going to be the solve all. What it means is we are able to get in there like a consulting firm and really talk to the public and find out what is really irritating them—is it emotional, is it actual systems or is it the help that is in each station.

And that is where we are at right now. We feel we are getting a handle on everything, we are discussing it with Mr. Porter and his staff and monitoring to see where we go from here. We have many things going. Only the test of time is going to tell whether what we have analyzed and come up with options and recommendations, if they were correct.

One thing I do know, they are pretty much on target because there are definite big changes being made in attitude, willingness to take a look at the customers' responsibility in using the mail system and what is required in business and residential, in getting that mail out. A substantial amount of the business community is incorrectly mailing their envelopes. They are not properly set up or the envelopes are overly designed so that they interfere with the computer automated systems or, for instance, we all know about the greeting card companies. The greeting card companies have very dark envelopes on some of them. That interferes to a certain degree with the automation system. What the technicalities are, I do not know, but these are things that we are finding out.

And one thing that I think this particular concept is very good for, it takes the idea of looking at the problems away from the congressional issue, away from the post office, and turns it over to the public themselves. And some of the greatest things have been accomplished because of the public in the way of help or in the way of contribution. I am very proud of all the people that are working with this. We have got now about 400 volunteers that are working in 49 out of the 50 stations. If you had every one of them here you would probably find a resolve to what you are looking for, because each of them are dealing with such diverse areas, and there are no two areas here in the city of Chicago the same.

We have an issue now that Mr. Porter is working on that we are going to monitor and we have been talking to Alderman Coleman on. How this will be solved, I do not know. This may go over to the police department here in the city of Chicago, I do not really know. But they are very concerned about the incidence of risk to carriers going out just trying to do their job. A carrier cannot deliver the mail if they are being attacked by a dog or if they are being threatened or shot at. We have had in one area, I believe it is Hawthorne, a caretaker for the post office shot. We have had carriers harassed, we have had people after the postal station manager and whomever else was involved in this, ask these people to tie the dogs up in order to get the mail. They refused to do it. We had one incident in the Clearing area of this nature too.

What it is, it seems to be a compilation of many, many things, it is not just one thing—I did not get my mail and what is the reason why, it is a lot of things. Yes, there are probably things from systems and things that were done wrong in the postal department prior to this new administration and setup. But we are trying to go from there and work to wherever we can to improve this. And improvement is being made.

The 86 percent increase from 1994 to fiscal year end in September of last year, went up from, I believe Mr. Porter said, 66 to 86, and most of that he will contribute to what has been done here with the councils.

I find this exhilarating. If you talk to anybody on the councils; yes, we have problems. We are there to tell the post office we do not feel they are doing right, but also we are there to look at it from a business standpoint. We are there to clarify everything and see what we can do to assist, and we are very proud to be part of this setup, and we are still growing and we are still learning.

And with that, I will just say thank you and hope that some of what I have in there may raise some questions that we can give some answers to and that could be looked at, at a higher level. Thank you.

Mr. MCHUGH. Well, I thank you. Your enthusiasm is evident and we appreciate that and I know Postmaster Porter appreciates your participation as well.

Ms. Winter, thank you for your patience.

[The prepared statement of Ms. Hill follows:]



CHICAGO POSTAL CUSTOMER ADVISORY COUNCIL  
 PO BOX 7112  
 CHICAGO IL 60680-7112

October 8, 1996

John M. McHugh, Chairman  
 Subcommittee on the Postal Service  
 Congress of the United States  
 House of Representatives  
 Committee on Government Reform and Oversight  
 2157 Rayburn House Office Building  
 Washington, DC 20515-6143

Dear Chairman McHugh,

As Co-Chair for the Chicago Postal Customer Advisory Council Executive Board with oversight authority for each council with the 50 postal stations, I submit herewith a synopsis covering the Council concept, purpose, and examples of the diversified issues we are dealing with.

As independent liaison, our council is proud to be a part of the open communications between the public and the United States Postal Service for the purpose of improving mail service throughout the City of Chicago.

Board members agree, that to bring about change, any resolve must provide a win-win situation for the mailing public as well as the Postal Service.

This project is the only one of its kind and magnitude in the country, and has been made possible through the co-operative efforts of Mr. Rufus F. Porter, District Manager and Postmaster, City of Chicago, who is committed to improving service and working with the Council in reaching out to the mailing public as another means to gain input on customer concerns and suggestions to improve mail service.

... Change, and increase to the "bottom-line" in any business must start with a decisive individual sensitive to **customer perceived needs**, as well as both internal and external circumstances affecting the flow of efficiency and service, heretofore not prevalent prior to the implementation of the Council concept under Mr. Rufus F. Porter's administration.

I believe you will find the enclosed of interest and should provide the sub-committee members with a potential array of questions that may not have been previously evaluated or addressed in relation to the manner in which we have become aware of problems, and the processes used to remedy and monitor them.

Respectfully,

A handwritten signature in cursive script, appearing to read "Carolyn Hill".

Carolyn Hill, Co-Chair  
 CHICAGO POSTAL CAC EXECUTIVE BOARD

CH/cgf  
 Enc:

THE CHICAGO POSTAL CUSTOMER ADVISORY COUNCIL

**"Making A Difference ... Because of Customer Input!"**

The Chicago Postal Customer Advisory Council is composed of an Executive Board, and local councils based within each postal station. The postal station manager is the U.S.P.S. liaison working with the council to affect improvements directly at the local station level.

The Council is comprised of volunteers from the local community, who have made a commitment to foster a sense of partnership with the Postal Service, and to provide a forum where customers can communicate their ideas, concerns and suggestions to postal officials, and expect to have them acted upon.

It is critical that the councils become a unified team, dedicated to one purpose, improving the quality of Postal Service to all Chicago residents. There is no place for individual agendas. It is important to understand postal systems and learn postal terminology in order to research and evaluate issues with options and recommendations.

The gap of negativism must be bridged between the public and the U.S.P.S. to bring back trust and credibility. We, the Executive Board Members, must insure that the public not only understands the concerns of the Postal Service, but more importantly, that the Postal Service understands the concerns of the customers.

It is equally important to develop a good working rapport with postal station managers and provide them with ideas and recommendations from diverse community viewpoints, and open dialogue between managers and the communities they serve. Their knowledge of postal systems and experience provides the needed assistance in sorting facts and developing concrete solutions.

The Council program is designed with flexibility and unlimited possibilities, geared to build trust and co-operative efforts not only between the mailing public and the U.S.P.S., but within the different levels of employee classifications in each postal station.

**CUSTOMER RELATIONS - "GOOD WILL"**

As a point of information ... three letters are provided showing the rapport being established by the Council's outreach into the communities with the general public, City of Chicago Council member Ald. Shirley A. Coleman, and the United States Postal Service Management in separate programs of public awareness and assistance with problem solving.

Ald. Coleman's concerns are being presently addressed by Mr. Rufus F. Porter, Postmaster and is the direct result of a new program being instituted with the City of Chicago Council Members by the Executive Board of the Advisory Council.

A meeting was setup between the United States Postal Service, our Executive Board and Chicago Council members to discuss what avenues of communication and assistance is available to get input into and feedback out of the wards as a mean to identify and correct problems.

Individual meetings would then be scheduled at a later date to deal directly with what affects mail service in each ward. This would also provide the opportunity for a continued working relationship with the Postal Advisory Council both at the executive and local levels, and allow the Executive Board to implement a process to quickly resolve issues at the local postal station level with co-operative efforts of the United States Postal Service.

The aldermatic community has indicated that no one has reached out to them in the format we have presented before, and they are open to working with us.

A test project with Ald. Mary Ann Smith of the 48th Ward has yielded exciting results in educating the public about their responsibility in using the mail system and a direct process for problem solving is in place between Alderwoman Smith's office and the local station manager to deal quickly and efficiently with problems as they arise and are identified.


**SHIRLEY A. COLEMAN**

Alderman, 16th Ward  
 1248 West 63rd Street  
 Chicago, IL 60638  
 Telephone: (312) 918-1870  
 FAX: (312) 918-4889

Mr. Rufus Porter, District Manager  
 Chicago Post Office  
 433 West Harrison  
 Chicago, IL 60607

Dear Mr. Porter:

A very serious problem has continued to escalate, and I would like your input and expedient reply

There is a serious outbreak of violence among mail carriers, particularly at the Englewood Station, but I think you will find this is a city-wide problem. I'd like to suggest that carriers be allowed to carry some form of communication system (i.e., a cell phone or walkie talkie/2 way radio) so that the carrier would have a way of reaching and/or alerting someone of pending danger

I have spoken with Ms. Carolyn Hill and shared with her that the C.A.P.S. program is not the solution, and cannot provide the needed protection. I hope and pray that some solution can be obtained before another mail carrier is hurt or involved in a situation that could hopefully be avoided

I also shared with Ms. Hill that I would be willing to host a meeting with you and representatives of the mail carriers so that we can address this serious problem

Very truly yours,

*Shirley A. Coleman*  
 Shirley A. Coleman  
 Alderman/Committeeman  
 16th Ward

/sac

cc: Mrs. Carolyn Hill, Executive Board  
 Mr. Bennie Worsham, Englewood Station Manager  
 Jean Montgomery, Mail Carrier Foreman  
 Ms. Kathy Jefferson, Area Coordinator

**CITY COUNCIL**

CITY OF CHICAGO

**COUNCIL CHAMBER**

CITY HALL - ROOM 20314A  
 121 NORTH LA SALLE STREET  
 CHICAGO, ILLINOIS 60602  
 TELEPHONE: 744-3048  
 744-3184

**COMMITTEE MEMBERSHIPS**

SPORTS AND GOVERNMENT OPERATIONS  
 COMMITTEES, RULES AND ETHICS  
 EDUCATION  
 ENERGY, ENVIRONMENTAL PROTECTION & PUBLIC UTILITIES  
 VACCINATIONS  
 HEALTH, AGING AND DISABILITY  
 LICENSE AND CONSUMER PROTECTION  
 SPECIAL EVENTS AND CULTURAL AFFAIRS

DISTRICT MANAGER, CUSTOMER SERVICE & SALES  
CENTRAL ILLINOIS DISTRICT



July 1, 1996

Carolyn Hill  
Executive Customer Advisory Council  
4950 West 67th Street  
Chicago, Illinois 60638-6400

Dear Ms. Hill:

Thank you for visiting the Central Illinois District to attend our Customer Advisory Council appreciation luncheon. Your visit was especially significant as we acknowledged our CAC members for their efforts and support.

We received a number of compliments from customers on how well they enjoyed the event and appreciated hearing from other council members. The information you shared on the Executive Customer Advisory Council in Chicago was well received by all the attendees and ignited an interest with this concept, particularly with our Headquarters office. We were pleased to receive such positive feedback.

Again, thank you for your support during Customer Advisory Council Appreciation Day.

Sincerely,

A handwritten signature in dark ink, appearing to read "J. R. Olden, Jr.", written in a cursive style.

J. R. Olden, Jr.

/bah:9631

- 4 -

6601 W 73RD ST  
BEDFORD PARK, IL 60409-9998  
(708) 563-7800  
FAX: (708) 563-2013

MIDWAY  
TECH  
CENTER



6520 SOUTH CICERO AVENUE,

(708) 496-  
FAX #: (708) 496  
BEDFORD PARK, ILLINOIS 38

March 29, 1995

Ms. Carolyn Hill  
Clearing Customer  
Postal Advisory Council  
c/o 4950 West 67th Street  
Chicago, IL 60638-6400

Dear Carolyn:

Just a note of appreciation for taking the time to introduce us to the Clearing Customer Postal Advisory Council and the representatives of the Clearing Post Office on Wednesday, March 22nd.

I am happy to report to you that the mailbox we had requested for our location on 65th Street was delivered on Friday, March 24th. Their quick response in addressing our concerns on this issue has definitely helped promote a more positive attitude towards postal services and related issues.

I will be contacting you shortly regarding an additional meeting with other Midway Tech Center tenants.

Sincerely,

Mary Ann Bachelor  
Building Manager



**ADVISORY COUNCIL PROBLEM SOLVING PROCESS**  
**FROM CUSTOMER INPUT**

---

I have selected two copies of the working agenda from the Clearing Postal Advisory Council handling Midway Airport and the Clearing Industrial areas, which I assisted in setting up and participated in as Co-Chair before accepting the Executive Board position. One is from 1995; the other 1996 showing the projects and problem solving situations being worked on. Two should be sufficient to give the sub-committee members an idea of the myriad of situations being dealt with too numerous to detail at this time.

As a prime example of complaint, that mail is late and why ... I wish to use the Sub-Committee on the Postal Service's own mailing envelope addressed to me to clarify one big area of complaint from the public.

With the continuous addition of high-tech equipment and systems to move the mail quicker and more efficiently, **it is important to understand that the way we were taught in school to address mail is no longer sufficient.** A "correct addressing for success" copy is included, which is self-explanatory.

A substantial amount of mail is delivered late due to a wide variety of reasons such as mail not properly addressed, incorrectly addressed or containing omissions or typographical errors.

The Sub-Committee envelope was mailed to me on September 27th, and for apparent reasons I did not receive it until Friday, October 4, 1996.

Even though mail in cases of this nature is being delivered late, it is not at the fault of the Postal Service. Yet, this is not apparent to the mailing public. It is necessary to educate the public at the school level for the future, the business community as they are 80% of the Postal Service's business. The Advisory Councils continue to work to reach the residential mailer through different approaches

New approaches and systems are required. Paying attention to what best serves the customer as in other businesses will provide the answers, and best serve the Post Office long-term.

U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT  
WASHINGTON, DC 20515-6143

OFFICIAL BUSINESS

*Bill Chagnier*  
M.C.

Caroline Hill  
Executive Co-Chairperson  
Customer Advisory Council for the City of Chicago  
c/o George Hill Company, Co.  
349 West Circle Drive  
New Lenox, Illinois ~~60511~~ 60451

11111111111111111111



# HERE'S THE CORRECT WAY TO ADDRESS FOR SUCCESS TODAY.

MR J DOE  
JOHN DOE CO  
123 MAIN ST RM 456  
CINCINNATI OH 45202-2803

The perfect address

## APPEARANCES ARE IMPORTANT—ADDRESSES SHOULD BE:

- 1) Machine printed or typewritten (no script)
- 2) ALL CAPS
- 3) Uniformly aligned on left margin
- 4) Without punctuation, i.e., periods, commas (use one or two spaces instead)
- 5) In black ink on white background (preferably lapping characters)
- 6) Clear and sharp without touching or overlapping characters
- 7) Clearly visible in windowed envelopes, even when insert shifts
- 8) Parallel to bottom edge of envelope—not slanted

## ADDRESS CONTENT IS IMPORTANT, TOO—THESE EXTRA TIPS CAN GIVE YOU THE UPPER HAND:

- 1) Always address mail as shown above
- 2) Include FLOOR, SUITE and APARTMENT NUMBERS when possible and DIRECTIONALS such as North (N), East (E), etc.
- 3) ZIP Code® or ZIP + 4® code may stand alone on bottom line if not enough room on City and State line

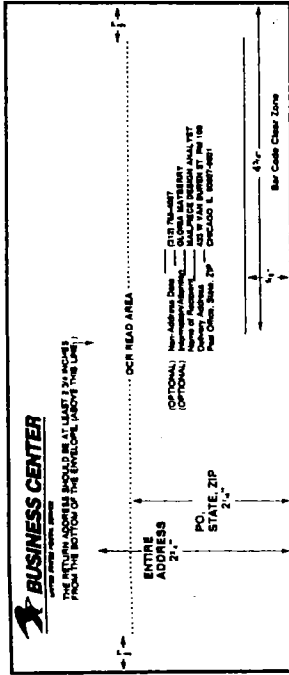
## FOREIGN ADDRESSING—COUNTRY NAME ALWAYS STANDS ALONE ON BOTTOM LINE:

Sample: MR THOMAS CLARK  
117 RUSSELL DRIVE  
LONDON W1P6HQ  
ENGLAND

UNITED STATES POSTAL SERVICE

**HERE'S THE WHOLE PICTURE—THE PERFECT ADDRESS NEEDS PERFECT PLACEMENT, TOO.**

How and where addresses are placed on envelopes is important to efficient mail processing. This handy guide tells all.



Any non-address information, such as logos, advertising, etc., should be placed above delivery address line.

**CAN YOU GUESS WHAT'S WRONG WITH THESE ADDRESSES?**

1.	MR JAMES F JONES 4417 BROOK ST NE WASHINGTON DC 20019-4649	2.	MR JAMES F JONES 4417 BROOK ST NE WASHINGTON DC 200
3.	MR JAMES F JONES 4417 BROOK ST NE WASHINGTON DC 20019-4649	4.	MR JAMES F JONES 4417 BROOK ST NE WASHINGTON DC 20019-4649

Answers: 1. Lack of business delivery address line. 2. Address not totally visible through window. 3. Character 4 through 5 not 4-digit.

**AND DON'T FORGET—ALWAYS USE STATE ABBREVIATIONS:**

- Alabama
- Alaska
- AZ
- Arkansas
- AR
- California
- CA
- Colorado
- CO
- Connecticut
- CT
- Delaware
- DE
- Dist. of Columbia
- DC
- Florida
- FL
- Georgia
- GA
- Guam
- GU
- Hawaii
- HI
- Idaho
- ID
- Illinois
- IL
- Indiana
- IN
- Iowa
- IA
- Kansas
- KY
- Kentucky
- LA
- Louisiana
- LA
- Maine
- ME
- Massachusetts
- MA
- Michigan
- MI
- Minnesota
- MN
- Mississippi
- MS
- Missouri
- MO
- Montana
- MT
- Nebraska
- NE
- Nevada
- NV
- New Hampshire
- NH
- New Jersey
- NJ
- New Mexico
- NM
- New York
- NY
- North Carolina
- NC
- North Dakota
- ND
- Ohio
- OH
- Oklahoma
- OK
- Oregon
- OR
- Pennsylvania
- PA
- Rhode Island
- RI
- South Carolina
- SC
- South Dakota
- SD
- Texas
- TX
- Tennessee
- TN
- Tennessee
- VA
- Vermont
- VT
- Virginia
- VA
- Virgin Islands
- VI
- Washington
- WA
- West Virginia
- WV
- Wisconsin
- WI
- Wyoming
- WY

AGENDA - FEBRUARY 10, 1996

OLD BUSINESSCall to order:Minutes Vote: Suspension of reading to facilitate productive work time.IntroductionMs Linda Patterson: Ms Patterson taking over Marilyn Roberto's position.Delivery Problem: Re: Newsletter mailings, comments, etc.

- ... Walking across grass
- ... Misdelaivered mail (Bob Ptak)
- ... " " " blocks across from P.O. (Lorraine Murphy)
- ... Postal delivery person harassed.
- ... CAC Newsletters, many returned blank (too many)
- ... Need for accounting updates on what is happening w/ corrective actions.

Clerk Problems:

- ... Attitude and behavioral patterns.
- ... Accounting to Mr. Ken Britton
- ... Request for individual outside monitoring (connected to complaints and improper actions.

Suggestion Box:

- ... For employees (back at cage area, suggested by USPS employee Tom.
- ... For outer lobby - for customers re: our questionaires.

Mail Deposits:

- ... Boxes outside of P.O.-extra p.u. to prevent overflow.
- ... Need review - possible change of position for mail drive up drop off boxes. Creating safety problems in lot.

WJJD AIR-TIME:

- ... Still open and pending.

Newspapers:

- ... Monthly news column & Press Releases. (Linda Dougherty) S.W. New Herald/ClearRidge Reporter
- ... Polish Translation on Press Releases (Emil Boduch)

Incorrectly Addressed Mail

- ... Work w/Mr. George Marshall, U.S.P.S. on reaching business community - most companies not addressing correctly. 80% of mail is business/bulk

AGENDA - FEBRUARY 10, 1996

NEW BUSINESS

- Inner Lobby:           ... Continued review, better use pattern and forms layout.  
                           ... Clerks - name tags  
                           ... Clerks - new name plates
- Outer Lobby:           ... Needs cleanup (paint or wash)  
                           ... Place racks for CAC info accessibility along with  
                           sign...CLEARING CUSTOMER POSTAL ADVISORY COUNCIL.  
                           "We're interested in what you have to say."
- Continued to  
 later time-frame:   ... Identify problems w/non-english speaking patrons.  
                           Ways to make communication and the act of doing business  
                           easier/taking pressure off both clerks and patrons.
- Continue  
 NTE'S, SUB'S &  
 CASUALS:           ... Due to customer complaints on service and mail delivery,  
                           indicates a need for review on same. Appears postal  
                           insensitivity to patrons needs, gliches in co-operative  
                           efforts between departments re: hiring processes and  
                           disciplinary actions which ultimately affects efforts  
                           for quality service by NTE'S, SUB'S, and CASUALS.
- ... May need to look at additional hires for carriers, despite  
                           Centrals approval and implementation of a couple new hires  
                           working at Clearing.
- Newsletter:           ... Next news letter - mail addressing/new council members ???
- Previous Years  
 Projects to be  
 completed:           ... Review agenda's and minutes, complete everything possible  
                           on hold before continuation of any new projects.
- Employees:           ... Set program up for positive acknowledgment of postal employees.  
                           ... Public re: outer lobby  
                           ... Council  
                           ... By employee to employee

## AGENDA - AUGUST 12, 1995

OLD BUSINESSCall to order

Minutes Vote Suspension of reading to facilitate productive work time.

June & July Official Meetings: Cancellation by unanimous vote due to circumstances beyond council control.

Informal Meeting Change For month of August only - August 26th meeting to be at Clearing Public Library - 6423 West 63rd Pl. Starting September meeting back at Garfield Ridge Public Library, 6348 So. Archer - 9:15 a.m.)

Postal Visual Appearance Status Trash Container and cigarette "butts" containers. Congressman Lipinski to assist in securing trash container for post office.

- ... Status on requisition for "Electronic Information Sign"
- ... Status on postage stamps for mail monitoring/council.
- ... Update on books of stamps availability.
- ... Ms. Roberto changes/added additional customer parking. Also employees asked not to park up front.
- ... Status on Drop off boxes at post office re: overflow

Delivery Problem:

- ... Azteca Foods help received happy with service.
- ... C P Hall delivery better
- ... Carr Lumber - better
- ... Bank of Chgo - misdirect mail improving
- ... Mail delivery improving consistency/delivery time west of 63rd & Central.
- 5072 Laporte delvd to 5012 Lamon ... Clint David - Airline Employees Assoc re: exorbitant charge for p.u. (M.R. to handle) (708) 563-9999
- ... Problems still in area across from P.O.
- ... Congressman Lipinski's office indicates 60638 constituents having difficulty in getting through to Clearing to register complaints. (Directive given to use 800 #. Will provide council monthly names/numbers of complaintants thru their office.
- ... Have new lines been put in? (May discussion)
- ... Phones being answered in more than three rings or continued busy. Mr. Jerry Hurches, Cong Lipinski's ofc. To be rescheduled to October - Sue D'Oronzo/arrangements.

Civic League Meeting:

MAIL MONITORING:

- ... Peter Klisurich/Co-Chair, Everne Westbrook
- ... Banks have agreed to monitor 200 pieces of mail stamp dated forwarding to council.
- ... Other small business agreed to monitor 50 pes

Agenda - August 12, 1995 Meeting  
 OLD BUSINESS CONT'D

...Bob Ptak/Co-Chair Cust Service Committee, Emil Boduch, Sue D'Oronzo Designing Cust Complaint Form. Can be used accessible area Clearing Post Office.

**FOREIGN PUBLICATION MATERIAL**

... For use in Clearing Post Office to assist patrons and clerks.  
 ... Questionable as to mailings to 60638 due to demographics and space of foreign speaking patrons. Suggestions?

Council Secretary

... Still need replacement for Rosemary Alvir. Ask around. Also will request in News Release through S.W. Herald and Clear Ridge Reporter.

**WJJD AIR-TIME**

... Mr. Porter back in town. Check status vs his schedule next week.

NEWS LETTER

... Finalization/Council approval

NEWS RELEASE

... Release to S.W. News Herald/ClearRidge Reporter next week to coincide w/August 26th meeting at Clearing Public Library - 63rd Place.  
 ... Emil Boduch to translate into Polish for the Polish Daily.

MEMBER REMOVAL

... Need vote for official record removing Rosemary Alvir, Jim Berent and Mary Suddie as council members. Conflict of interest at this time prevents participation.



Agenda - August 12, 1995

NEW BUSINESS

ASSISTANCE

- ... Congressman Lipinski's staff (Mr. Jerry Hurckes) has agreed to assist w/paperwork, information, etc in helping to get the word out to 60636 business/residential patrons re: The Council.
- ... Has agreed to secure trash container for Post Office front.
- ... Will refer complaints to "800" number. 222-1889

CO-OPERATIVE EFFORTS

- ... Peter Klisurich suggestion to possibly use printing companies re: customers reorder of envelopes and the need for re-education of proper addressing of mail as option. Will bring in individual from Printing Industry to informal meeting for process of evaluation.

NTE'S, SUB'S & CASUALS

- ... Due to customer complaints on service and mail delivery, indicates a need for review on same. Appears postal insensitivity to patrons needs, gliches in co-operative efforts between departments re: hiring processes and disciplinary actions which ultimately affects efforts for quality service by NTE's, SUB's, and CASUAL's.

IDENTIFY PROBLEMS

w/NON-ENGLISH SPEAKING PATRONS

- ... With counter clerks.
- ... Ways to make communication and the act of doing business easier taking pressure off both clerks and patrons.

Ms. WINTER. Certainly.

Good afternoon, Mr. Chairman, members of the committee. I am Diane Winter, industry co-chair of the Chicago Postal Customer Council and I am a district manager with Postalsoft.

Let me start by telling you briefly about the PCC. The Chicago PCC is a business mailers association consisting of 6,000 plus general members. We were founded in 1988. I am an original board member and have been the industry co-chair for the last 6 years. The PCC is governed by an executive board of 28 members who are leaders within the Chicago mailing community and Chicago Postal Management. The officers are as follows: We have two co-chairs, the Postal co-chair is the district manager/Postmaster of Chicago and the industry co-chair who is elected from the industry members of our executive board. Our vice chair and treasurer are elected industry board members and our secretary is elected from the Postal Executive Board membership.

Our statement of purpose is: To provide a two-way line of communication between the U.S. Postal Service and its industry customers. To provide a forum for local Postal Service business customers to meet with local Postal Service managers to discuss local mailing problems, new postal regulations and ways to improve local service. To provide a forum for the Postal Service to present information on new products and services. To provide an opportunity to meet with other mailers and discuss mutual problems. To provide mailing clinics for its members with up-to-date postal requirements. And to provide a better understanding of how the Postal Service functions and processes mail.

The executive board meets monthly and we host an event at least every quarter for our general membership. Our events range from half day educational seminars, tours of postal facilities and quarterly luncheons featuring a keynote speaker presenting a new idea or product. Chicago Postal Management participates in a Q&A and is always available for one-on-one with customers in attendance. Additionally we produce an annual guide of Postal Departments by function with phone numbers and manager names. I provided a copy of that guide to all of you.

We are a not-for-profit organization and operate on a break-even basis. If we charge for an event, we budget to cover our costs.

Our current executive board is made up of various industries, as you can see from a list I have provided. Our board alone represents tens of thousands of jobs and millions of dollars in revenues and taxes.

When I agreed to speak with you this afternoon, I asked our executive board for their thoughts and comments about the evolution of the Postal Service in Chicago over the last 2 years under the leadership of Rufus Porter and Dave Fields.

The following summarizes those comments:

The Chicago mailers have experienced six plus changes in top management at the Chicago Post Office since 1990. Mr. Porter and Mr. Fields have been there the longest of the various management. We feel that this is the team to continue to make the change for the better.

While clearly there is much work still to be done, many of our members are pleased that significant progress has been made. The

current USPS management team has worked diligently to clean up what were obvious major problems which they inherited. Perhaps the most crucial change is that mailers are now treated as customers, which is a far cry from the previous mindset. Evidence of this change is senior Postal managers participation in our PCC as well as the local customer remittance processing group.

One of our financial institution members echoed that sentiment by saying "the relationship with Postal management is now a team effort, not adversarial as it was in the past."

Additionally, the financial industry members on our board stated that Chicago continues to do well in the Phoenix Hecht, which is mail time surveys, which are critical to any business in the remittance processing business.

Some areas that need continued improvement are:

The business mail entry department has some excellent staff for customer assistance; however, when those individuals are not there, the customer has to wait.

Morale is still a problem on some levels. Some employees are willing to go above and beyond their normal job functions while others seem to be complacent to wait for their retirement before leaving the Post Office.

The permit reconciliation process can be very onerous. Refunds, which can be in the tens of thousands of dollars, can take too long to clear the initial stages of approval and sometimes many phone calls have to be made for resolution.

The managing of the recent move to the new postal facility was handled adeptly. Service remained consistent throughout what was an ambitious move. One area of trouble was brought up at our quarterly lunch just after the move. The new bulk mail acceptance area did not have the capabilities of accepting postage payments for the corresponding mailings that were being delivered. Payment had to be made at the other side of the building. Sounds simple—well, it was not. Driving a Chicago city block or two in a semi with the streets being one way, just to drop a check off does not make sense. Within a few weeks a payment processing counter was added in the dock area where the mailings are delivered. Our mailers are very happy and a bit surprised at the quick response. Truly a different attitude and mindset exists with this management team. One of our board members called it "thinking out of the box and having an attitude of how can we help each other."

In summary, the business mailing community is directly dependent on the commitment of the Postal Service to provide excellent service. The Chicago business mailers recognize this team's dedication to that end and we are very pleased and encouraged with what has taken place to date and look forward to continued improvements.

Thank you for the opportunity to express our views before this committee.

[Note.—The Chicago Postal Customer Council 1996 Business Mailer's Guide can be found in subcommittee files.]

[The prepared statement of Ms. Winter follows:]



### CONGRESSIONAL TESTIMONY 10-11-96

Goodmorning ladies and gentlemen, I'm Diane Winter, Industry co-chair of the Chicago Postal Customer Council and District Manager with Postalsoft.

Let me tell you briefly about the PCC. The Chicago PCC is a business mailers association consisting of 6000 plus general members. We were founded in 1988. I am an original board member and have been industry co-chair for the last 6 years. The PCC is governed by an executive board of 28 members who are leaders within the Chicago mailing community and Chicago Postal Management. The officers are as follows: We have two Co-chairs, the Postal co-chair is the District Manager/ Postmaster of Chicago and the Industry co-chair who is elected from the industry members of our executive board. Our Vice chair and Treasurer are elected industry board members and our secretary is elected from the Postal Executive Board membership

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Provide mailing clinics for its members with up-to-date postal requirements.

Provide a better understanding of how the Postal Service functions and processes mail.



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The following summarizes those comments.

The Chicago mailers have experienced 6 + changes in top management at the Chicago Post Office since 1990. Mr. Porter and Mr. Fields have been there the longest of the various managers. We feel that this is the team to continue to make changes for the better.

While clearly there is much work still to be done, many of our members are pleased that significant progress has been made. The current USPS management team has worked diligently to clean up what were obviously major problems which they inherited. Perhaps the most crucial change is that mailers are now treated as customers which is a far cry from the previous mind-set. Evidence of this change is senior Postal managers participation in our PCC as well as the local customer remittance processing group.

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In summary, the success of the business mailing community is directly dependent on the commitment of the postal service to our joint responsibility to succeed. We are very pleased and encouraged with what has taken place so far and look forward to continued improvements.

Thank you for the opportunity to express our views before this committee.

Mr. MCHUGH. Well, I thank you, thank you all for not just being here today but the efforts that you have made on behalf of your neighbors and your communities in participating in this effort.

Ms. Hill made a comment and I think it is applicable wherever we are looking at mail service, that there are very few, if any, across-the-board answers, that problems, particularly in large urban settings, are as varied as the neighborhoods that exist within those borders. And I do not know that it is possible for us as an oversight committee to come down to those kinds of solutions. I will tell you Congressman Flanagan, amongst others, has been very concerned about those micro issues, and his work on the Zip Codes is just symptomatic of that kind of thing, and we certainly look forward to working with him further in trying to provide whatever assistance we can to a good resolution.

But I am glad—as Mr. Porter is walking out—if you can wait 1 second.

Mr. PORTER. I have a flight to catch.

Mr. MCHUGH. OK. I would just recommend to you, if you have not had the opportunity to see it, the testimony that these good folks have rendered to us in their written comments because while you heard Ms. Winter make, I think, some very applicable suggestions and I know you created this good feelings, I would commend those materials to you. Have a good flight.

Mr. PORTER. Thank you.

Mr. MCHUGH. I just have some impressions really. It seems to me with the exception of—and I do not mean to cast those aside on your continued concerns on Zip Codes and redlining and all that, and those are very real concerns—but insofar as progress being made here in the city of Chicago, particularly under Mr. Porter's leadership, things are going in the right direction. Is that a correct impression that I have.

Ms. HILL. Yes, that would be a correct impression, simply because Mr. Porter believes this process can be done, even though people told him higher up it could not be done—and it is very difficult. We still, as an executive board, are ironing out things that started 2, 3 years ago. That is why just now we are starting to implement things and we will be further working with the local councils to make sure they have the tools that they need to get things done and make sure that morale is kept high and that they understand whatever clarifications they need to get the job done. And they are working right there. If a carrier wants to say something, a carrier can walk up to them and talk to them and tell them, hey, I think I am not being treated fairly. And then it can be taken a look at and determine whether it is just somebody who is upset about something and it is not a legitimate gripe. Whatever the circumstance may be, at every level, whether it is at the clerks, whether it is a station manager.

And I have found in working with the station managers—I have not worked with all of them, I have worked with quite a few, they are thrilled with the ability to have more authority that they did not have before. They have the authority now to make serious changes, which is also helping to make sure everything is improved.

Mr. MCHUGH. Thank you. Mr. Gutowski, Mr. Bennett, do you— are you satisfied with the pace and the direction of things as they stand in mail delivery?

Mr. BENNETT. Well, I think, first of all, we have to realize that the problems that we are experiencing did not come about overnight. What we have is a corporate culture that Mr. Porter and his staff are trying to change. And it is not going to be done overnight, it is going to take years. He has shared with me some personnel directions that he has given his managers to expedite the replacement process of problem employees. As a user of postal services, I think every one of us has a right to expect timely and efficient mail delivery here and anywhere in the Nation and in the city of Chicago.

A certified letter carrier makes about \$34,000 a year without overtime, and they get plenty of overtime. For somebody who is a high school graduate with no technical skills and a full benefit package, that is a well-paying position. I think we have every right to expect that we get our mail delivered in a timely and efficient manner. And I really think Mr. Porter shares that concern. He has developed some innovative approaches to changing this corporate culture within the Chicago area.

I had occasion to meet with one of his acting area managers that he brought in from down State Indiana and this gentleman was editorializing on this corporate culture that in some instances is antithetical to productivity, timeliness and efficiency.

Am I happy with the pace? No. I would like to be able to go to the local areas on a Saturday morning and not have people jump on my back about misdirected mail, mail that they did not receive. That would be a refreshing experience for me. But I would hope that with the continued efforts of upper echelon management and some of these new management techniques that I outlined in my testimony, that we are moving along in an appropriate direction.

Mr. MCHUGH. Mr. Gutowski, any thoughts?

Mr. GUTOWSKI. I have got nothing else to add.

Mr. MCHUGH. OK. Ms. Winter.

Ms. WINTER. I guess the big difference that the business mailers see is, based on the 2 years, that they mean it, this management team means it and when you feel like you get a response, then I think the mailers, our board, is more inclined to speak up more, we get more constructive, we work together more because things do happen and change. Speed—in some areas things can change quickly, in other areas they cannot, but we understand that, that is explained. Again, this is—the Postal Service is a large, huge organization. The one example I gave in my testimony, I have never seen anything happen that fast. And I did not completely go into all the ramifications, but the departments that were involved—we were all stunned, it was great, it solved a huge problem.

And I guess we have confidence, that is what I guess I am trying to say is we have confidence in this management team.

Mr. MCHUGH. Mr. Bennett, you outlined several reasons for the possible drop from 86 to 80 in the overnight ratings. Three things I think you said—you noted in the testimony Mr. Porter felt it was that single opening of the new central facility. Without regard to whether it is the single cause or not, are all of you of the belief that



it was a momentary one time drop and that things are going to rebound? You saw the pledge that was taken. Are we going to have to come in and slap somebody's wrist for not meeting the pledge? What does your instinct tell you about that ratings drop, if anything?

Mr. GUTOWSKI. My instinct would be yes, it is a temporary drop, but unless there is a continued change of morale it will stagnate at a level. My background is 40 years of industrial manufacturing engineering instituting change in factories, moving factories, things of that nature. And many of the problems I have heard discussed today have their roots in morale and the ability for the leadership to stimulate their people into action.

Mr. MCHUGH. Then you understand corporate culture.

Mr. GUTOWSKI. Yes.

Mr. MCHUGH. Then would you agree that given the history of this system in the city of Chicago, that changing that culture is going to be a process of years rather than weeks?

Mr. GUTOWSKI. It has to be continued change and continued effort on the part of the leadership and management.

Mr. MCHUGH. I understand your concern that may not happen because it is a tough job and it is probably easier not to do it. Are there any concrete things you can point to that would suggest it is not going to happen? Or are you just stating this is the key to success?

Mr. GUTOWSKI. I have no basis on which to judge that.

Mr. MCHUGH. Anybody else have any thoughts about the one time drop—is it a one time drop, Ms. Winter, in your mind? Not what you hope but what you think.

Ms. WINTER. Speaking from the business mailing community, representing our board, our board met yesterday and it was not an issue of concern. Most of us on our board have been around awhile and we understand—we were there a couple of years ago prior to Mr. Fields and Mr. Porter. It is not just in Chicago, all the large cities have similar problems and we see it also happening from Washington, those changes occurring because it has to, and that is the recognition. So that constant change—yes, it is going to take a lot of time for it to completely evolve and change. So to answer your question again bluntly, it was a one time drop, yes. We are of that opinion.

Mr. MCHUGH. I yield to my colleague from the city of Chicago.

Mr. FLANAGAN. I have just one question. Mr. Yates, when he was speaking to us earlier, reminded us that Congress has oversight of the post office, but very little influence. And he was not overstating the case. What we get them to do at our behest is a matter of request, cajolement, courtesy and other things, but we have no true hammer to make them do certain things.

Do you think that ought to be changed? Do you think we ought to repeal the 1970 law or change it in such a way as to put it back in the hands of Congress to have complete oversight and run it? Or should we go in the other direction and make it a private business or leave it as it is, quasi-governmental?

Ms. HILL. Congressman Flanagan, I would like to address that.

Mr. FLANAGAN. Sure.

Ms. HILL. Based on my experience as a businesswoman and what has transpired in the post office all these decades, and not knowing all the issues, but they say the proof is in the pudding—Congress has been involved for how long with the post office and it gets progressively worse as automated systems changes—

Mr. FLANAGAN. Congress has not been terribly involved since 1970.

Ms. HILL. No, since 1970. But I am talking about going way back.

Mr. FLANAGAN. Sure.

Ms. HILL. It is just like Mr. Bennett said, this did not occur in the last 10 or 20 or 30 years, this is from way back. And it normally takes 2 to 3 years, if you are lucky, 5 on the outside, sometimes 6, to turn something around. But in the case of a situation like this, privatizing this I think was a good idea because there was not enough control in inter-relationships between departments in the post office, morale was not high, and bringing it down to a privatized area allows the people to know and understand and learn that their salaries depend on that revenue that comes in. It does not start off that way, but ultimately it has to, because that company is not going to be there if they do not increase their revenues.

Mr. FLANAGAN. You see, that is a problem, the post office is quasi-governmental. So those salaries will be paid, those people will be there and it is going to stay open and the mail is still going to get delivered.

Ms. HILL. That is right.

Mr. FLANAGAN. And the point is, if we have to continue to make that promise to people that we are going to deliver the mail, as that the Constitution requires, are we best to continue with an intergovernmental quasi sort of situation we have now—is it working well—or should we go all the way and leap into the great beyond and privatize it or pull it back—

Ms. HILL. Well, do you not think quasi would work?

Mr. FLANAGAN. No. My question is—

Ms. HILL. That is what I am saying—

Mr. FLANAGAN. Are you happy with it now or do you want it back in the hands of Congress?

Ms. HILL. Based on being co-chair and working with a group of 10 other people on executive boards and the people that are in the local councils, they would probably tell you no, keep it away from Congress as a whole.

Mr. FLANAGAN. OK.

Ms. HILL. Keeping it where you are at now with a give and take is much better, because it allows the business to be run the way it should be done, as a business, not a free for all. That is probably not the adjective that I want to use, but that is basically what the understanding of the public is. You ask them about the post office, no, I am not going to contact the post office, nobody is going to listen to me. Or the issues about the cost factors and how come I do not get my mail at a certain time and yet they are charging me 32 cents. Most people still think that the postal system is still under the jurisdiction of the government entirely, people are not even aware of the transition of changes.

Mr. FLANAGAN. Ms. Winter, do you have comments?

Ms. WINTER. Well, the question you asked, stated very simply is an extremely complex issue.

Mr. FLANAGAN. Yes, it is.

Ms. WINTER. I am not qualified to really answer on all levels; however, I can tell you on our board we have discussed some bits and parts, some of our board members are MTEC members who participate in Washington. And I would say just as a general statement, there are parts of the process that could be looked at, that would make things better, that Congress can get involved and make those changes on. And I am going to just back off from the question at that point because that is a very complex issue.

Mr. FLANAGAN. Fair enough. We will go back down the postal/customer food chain to the local guys. What do you think, gentlemen?

Mr. BENNETT. I think there are certain areas where Congress could create a more competitive environment for the U.S. Postal Service. As we know now, the post office, the Postal Service, is in competition, in certain types of delivery services with UPS, Fed Ex, et cetera. But there are certain classifications of mail where the Postal Service has a monopoly. Perhaps if that monopoly is removed and competition is interjected into those various classifications, the post office would perform better under a competitive environment.

The Postal Service is also competing with technological advances because at the present time they deliver hard copy, a piece of paper in a number 10 envelope with a 32 cent stamp. How many of us today have disdained from this process in the business world and use a fax machine? That is taking business away—every time we use that fax machine, that is one 32 cent stamp that was not put on an envelope and put into a box for the U.S. Postal Service to deliver. So there are technological enhancements that are also competing with the post office. Internet is another big example. So I think Congress should perhaps in its infinite wisdom look at establishing a more competitive framework for the Postal Service to operate under.

Mr. FLANAGAN. So you would go in the direction of more privatization and less government.

Mr. BENNETT. Only the post office can deliver first class mail.

Mr. FLANAGAN. OK.

Mr. BENNETT. What if there were private services competing with the post office?

Mr. MCHUGH. If the gentleman would yield?

Mr. FLANAGAN. Yes, sir.

Mr. MCHUGH. I will send you a portion of the 100-page piece of legislation this subcommittee has drafted that we just concluded our hearings on. It attempts—and I will leave it at that to do precisely what you just defined, to narrow the scope of the monopoly, requiring the post office to compete, but also on the other end allowing it to compete in some other areas by providing it pricing flexibilities. I could not agree more, you are absolutely right, there is a real challenge to the revenue source of the Postal Service and that is hard copy mail—people are e-mailing, people are faxing, they are competing with the companies and others that you men-

tioned. So we are at a real crossroads. In fact, I will give—well, I cannot give you that one because it is marked up, but here is the bill. We are at a crossroads to decide, as Congressman Flanagan has indicated, what the Postal Service of tomorrow is going to be. Are we going to require it to deliver that first class mail at a certain set uniform price? Are we going to nationalize it? Are we going to privatize it? Those are the kinds of issues we have to begin to deal with and they are very serious, and as you suggested very accurately, they are very complex. We also have a summary, I will send you. You folks take a look at it and if you have any comments about it, we would be delighted to have them.

So we are in that process as part of the oversight activity of that. I thank the gentleman for yielding.

Mr. FLANAGAN. I thank the gentleman.

Mr. Gutowski, do you have a thought on this?

Mr. Gutowski. Pardon?

Mr. FLANAGAN. Do you have a thought on this?

Mr. GUTOWSKI. Well, Congress has removed the exclusivity with the Telecommunications Act, and I happen to handle all the telecommunications for the village, and there is a lot more coming down the pike, from what I see. The phone companies are starting to have to gear up to be competitive and the post office, with all of the mail—my business required a lot of transmission of blueprints, et cetera. With fax machines, I can communicate with Vickers, Inc. down in Jackson, MS, get a blueprint there, correct it, send it back within an hour. The post office cannot compete with that. But this should have lightened their workload.

In our area, the State mental hospital is closing, there is approximately 100 acres of land which is opening up for development and construction. This will overburden their 60634 post office if they put in 5,000 condominiums in that area. They have to plan more for the future as to what is happening in the area.

Mr. FLANAGAN. With congressional interpolation, give it back to the government and let them have tighter reins or loosen it up a little bit and they can be more responsive?

Mr. GUTOWSKI. I personally do not think that Congress should get back into running the post office or have a tremendous influence, because seniority then depends on who gets the perks, which area gets the perks. I think competition and business should make the decisions as to where the efforts go.

Mr. FLANAGAN. I have nothing further. Thank you, Mr. Chairman.

Mr. MCHUGH. Fine, thank you.

We have now been here for over 3 hours. As I said, I appreciate you folks being here and I appreciate the work that you do. We will send you copies of the bill I spoke about and any comments you wish to make, we would appreciate those as well.

I want to add my words of appreciation to DePaul for their hospitality here today, and of course again to Congressman Flanagan for his kind invitation to us. I know that he and the rest of the subcommittee will be continuing to watch as we hope the mail service in the Chicago area continues, again, to improve. And when that happens—I will be optimistic in the spirit of the new postal admin-

istration in this area—when that happens, we know that you good folks will be a big part of that and a big reason.

So thank you again and with that we will adjourn the hearing and leave the record open for 1 week so people may revise and extend their remarks and submit additional testimony.

[Whereupon, at 1:15 p.m., the committee was adjourned.]

