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## International Postal Sector Finds Positives in Challenging Economy

U.S. Postmaster General Addresses Global Conference

WASHINGTON — U.S. Postmaster General John E. Potter and other postal agency CEOs from around the world agree that the industry is facing tough challenges in today's economy. But Potter and other postal executives also are highlighting positive effects of the current economic situation.

"The economic downturn is indeed a challenging time for postal agencies worldwide," said Potter. "On the positive side, it's the perfect time to clearly focus our priorities and look at new business opportunities."

Postal representatives from nearly 90 countries are gathered this week in Berne, Switzerland, for "Impact of the Economic Crisis on Postal Activities," a high-level conference of the Universal Postal Union (UPU), a specialized agency of the United Nations that sets the rules for mail exchange between countries. As a sign of the times, Potter and several other postal leaders participated by video or online conferencing.

Postal executives shared strategies to cope in the midst of declining worldwide mail volume. Potter gave a recap of the Postal Service's comprehensive strategy to ensure its long-term viability. Presented to the U.S. Congress last week, the strategy is designed to help close the budget gap created by an anticipated reduction in mail volume to 180 billion pieces by the end of fiscal year 2009, from 212 billion pieces as recently as 2007.

In addition to implementing a number of cost management initiatives, the Postal Service has asked Congress to modify the method by which it is required to fund retirement health care benefits. This legislative change would reverse a policy instituted when the Postal Service experienced large surpluses — and result in at least \$2 billion in annual savings over an eight-year period. There would be no costs to U.S. taxpayers were the legislation to be enacted.

"Just as we are working together in the United States to preserve effective, affordable postal services, we can work together internationally to preserve quality service for every citizen, regardless of national borders," said Potter.

More information on the UPU conference is available at: http://www.upu.int/high\_level\_conferences/en/index.shtml

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An independent federal agency, the U.S. Postal Service is the only delivery service that reaches every address in the nation, 149 million residences, businesses and Post Office Boxes, six days a week. It has 34,000 retail locations and relies on the sale of postage, products and services, not tax dollars, to pay for operating expenses. Named the Most Trusted Government Agency five consecutive years by the Ponemon Institute, the Postal Service has annual revenue of \$75 billion and delivers nearly half the world's mail.