

POSTAL NEWS

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NATION'S ONLINE POSTAL STORE NEARLY DOUBLES HOLIDAY SEASON SALES

96 Percent Jump Sparked by Upgrades, Ad Campaign

WASHINGTON – Savvy online shoppers are quickly discovering that one of the U.S. Postal Service's best-kept secrets — the Postal Store at www.usps.com/shop — is a satisfying, timesaving tool that complements their active lifestyle. Sales at the Postal Store during the past holiday season soared more than 96 percent, from \$5.4 million in 2001 to \$10.7 million in 2002.

In fiscal year 2002, some one million registered customers generated more than \$38 million in sales for the Postal Service. Estimates call for a substantial increase perhaps as high as 70 percent by the end of fiscal year 2003.

"The Postal Service is very pleased that more and more Americans are visiting the Postal Store for their postage and gift buying needs," said Azeezaly Jaffer, vice president of Public Affairs and Communications. "Most importantly, recent surveys showed more than 90 percent of our online customers were satisfied with their shopping experience."

The Postal Store is the nation's official online post office, featuring sales of postage stamps and stationery, philatelic collectibles and other gift items. It also offers free shipping supplies to registered businesses, and, in the Collector's Corner, philatelists can find the latest information on the U.S. commemorative stamp program and other resources to support the hobby.

Online orders for postage stamps and other philatelic items are filled by Stamp Fulfillment Services (SFS) in Kansas City, Mo., the Postal Service's 311,000 sq. ft. underground fulfillment center featuring the Automated Fulfillment Equipment System. SFS also handles orders placed by telephone to 1 800 STAMP-24 and by mail through the USA Philatelic catalog.

From November 2002 through January 2003, SFS shipped an average of 158,000 orders per month, which was a 64 percent increase over the 2001 holiday season. Postal

Store shoppers generated about 80,000 orders per month during that period, which was a 52 percent increase over the same period last year.

"The success of the Postal Store to date can likely be attributed to our frequent customer-focused software upgrades and the recent advertising campaign raising awareness about the accessibility of postage stamps," said Jaffer. "But we aren't resting on our laurels by any means. We want to keep the momentum going and are looking at other ways we can improve the site.

"For example, the surveys showed about 4 percent of the stamps purchased at the Postal Store are primarily used for stamp collecting. This tells us we need to seek more input from the philatelic community to determine how we can better fill the needs of both the casual and serious collector." he said.

Collectors who have specific ideas on improvements, such as alternate formats and units of sale, are encouraged to send their comments to the address below. All reasonable suggestions will be considered.

POSTAL STORE IDEAS U S POSTAL SERVICE 475 LENFANT PLZ SW RM 5540 WASHINGTON DC 20260-3100

In the meantime, stop by the Postal Store at www.usps.com/shop and see what's new in the world of stamps.

Since 1775, the U.S. Postal Service has connected friends, families, neighbors and businesses by mail. An independent federal agency that visits 137 million homes and businesses every day, it is the only service provider to deliver to every address in the nation. The Postal Service receives no taxpayer dollars for routine operations, but derives its operating revenues solely from the sale of postage, products and services. With annual revenues of more than \$66 billion, it is the world's leading provider of mail and delivery services, offering some of the most affordable postage rates in the world. The Postal Service delivers more than 46 percent of the world's mail volume—some 207 billion letters, advertisements, periodicals and packages a year—and serves 7 million customers each day at its 40,000 retail locations nationwide.