



Organizational Strategy Video/Transcript of Postmaster General Louis DeJoy's Keynote Address During the 2023 National Postal Forum



CHARLOTTE, NC — *Postmaster General and CEO Louis DeJoy gave the keynote address at the 2023 National Postal Forum in Charlotte on May 22, 2023. Below is the organizational strategy transcript of those remarks, with the organizational strategy video available at <https://about.usps.com/video/NPF2023PMG.mp4>. For additional details, please see the [keynote address highlights press release](#).*

“Thank you everyone, welcome to the National Postal Forum. And welcome to my home state of North Carolina! We are in the charming city of Charlotte, centrally located to beautiful countryside, mountains, and beaches. A serene and relaxing environment for families and businesses to enjoy a comfortable and appealing existence in the southeastern part of our nation.

Over the next couple of days, we hope to provide you with a better understanding of what we have accomplished since releasing the Delivering for America plan, and what we intend to accomplish over the next several years.

Our objectives have been comprehensive, they have been broad, and they have been deep! We have focused not just on delivering the mail tomorrow, but also rescuing the Postal Service from an ongoing and severe crisis and transforming it into a vibrant organization for the future!

The leadership of the United States Postal Service, including our Board of Governors, has a goal to improve our service to, and relationship with, every stakeholder:

- the American people
- our mailing and shipping customers
- Congress, and other federal agencies
- election boards, state governments, and local communities
- Presidential administrations
- International organizations
- our regulators, our oversight agencies
- our union leaders
- our employees.....

...and our critics, which includes, and should include, all the above.

As you can see, the size of our constituency is large, and their interests obviously varied. And for decades we have sought to deliver on our service mission to all stakeholders throughout all the land!

We have served under the terms, rules and conditions, established by Congress, our regulator, and the Postal Service itself. However, over the past 15 years, these terms, rules and conditions have grown increasingly in conflict with our ability to perform our mission. This creates a dynamic that must be recognized and reckoned with.

For a significant time prior to my arrival, the Postal Service, and the men and women who work here, had endured a struggle to serve in a 'Postal environment' that would not allow it to be successful.

During a period of significant change in our nation, the Postal Service encountered damaging legislation, regulation, rules and political activism that defied logic and inflicted damage. These misguided or self-interested efforts intimidated and confused Postal management and restricted the organization's ability to make the required changes necessary for long term survival.

This period of contagion existed for almost fifteen years, with no cure being offered, wreaking dire consequences upon the nations cherished institution.

To overcome the significant consequences of the past, the Delivering for America plan sets forth the dramatic changes required to every aspect of our Postal environment. These dramatic changes must be done at a pace, and with a tenacity that is rarely seen, and rarely necessary, in government or private industry.

We must implement **dramatic change** to continue to unwind the years of outdated bureaucratic policies and processes.

We must implement **dramatic change** to correct for years of faulty business, operational and employment practices that have made it difficult, if not impossible, for our employees to serve effectively.

We must implement **dramatic change** because we have a demanding and encumbered service obligation to the nation, and in order to fund that obligation we must find a way to compete in a modern world against well-managed and creative competitors.

We must implement **dramatic change** because the time for more subtle or incremental change has long ago passed, necessitating the transformational changes we need today.

And finally, we must implement **dramatic change** because it is the desire of the American people for us to continue to serve for decades to come,

And we cannot fulfill that desire without pursuing more **dramatic change!**

The requirements to make **dramatic change** have been obvious and visible for a long time.

Initiated in 2006 with the Postal Accountability and Enhancement Act, this damaging legislation combined with the increasing digital diversion, the great recession, and more recently, a pandemic, to inflict severe and ongoing consequences on the Postal Service.

Up until recently, Congress and our Regulator ignored the devastating consequences produced by this economic and regulatory environment and failed to take any meaningful action. In fact, coaxed on by many stakeholders, they piled on with unfunded mandates, regulatory decisions or lack thereof, political demands, and complacency, that demonstrated both a lack of understanding of the developing crisis and an unwillingness to address the issues presented.

To confront the rapidly deteriorating conditions, Postal leadership, pursued a variety of strategic and tactical actions that could not overcome the problems faced – and in many cases made things worse, creating confusion and advancing the decline. When the magnitude of the problem became enormous by any standards, management was confused, became victims, offered no plan, and the Postal Service spiraled out of control.

When I arrived here in June of 2020, the conditions inside the organization were unimaginable. Besides being in a highly politicized environment and being in the middle of a pandemic, the operational and organizational strategies of the Postal Service were defeated and void of any strategic purpose.

We projected to lose \$20 billion dollars that year and run out of cash in 50 days. We had lost 80 billion dollars in the last 15 years and were projected to lose well over \$160 billion dollars in the next 10 years. We had a negative \$135 billion dollar balance sheet. And our own organizational and operational strategies were inflicting catastrophic damage on a daily basis.

Any entity experiencing these conditions would have collapsed in two or three years, yet the Postal Service had survived for 15 years!! How is that possible...well?

We survived by not paying into our employee retirement plans. We survived by deferring investment and maintenance of our infrastructure. We survived by allowing unwelcoming and non-productive work environments for all our employees. And we survived by not properly investing in our business model to address rapidly developing market changes.

When I arrived, those failed solutions had run their course. It was obvious that the Postal Service faced a clear and present danger that its existence as a viable agency was nearly over.

This was at a time in history when it was needed most, in the beginning of a pandemic. Yet there were no meaningful solutions offered either inside or outside the organization.

So, how does this happen?

How does an organization with so many wise thought leading stakeholders get into such a financial crisis that it verged on collapse? How does an organization that plays such an important role in the nation's daily activity..... ..get into this dysfunctional financial, organizational, and operational condition?

How does this highly cherished agency of the Federal Government, with 635,000 employees and a plethora of oversight decline at such a rapid pace-- without any meaningful intervention for 15 years?

Very simple. All the powers that be, with all their wisdom and authorities, could never put together enough **thoughtfulness** and amass enough **forcefulness** or put aside their special interests to create a successful strategy and implement it!

During this whole time period, no initiatives were presented by the Congress, our Regulator... or the Postal Service, that comprehensively addressed the need to evolve our service, reduce our cost... raise our revenue and inspire a movement that executed on a solution.

This is a proven fact! It is a known known.

It is the recent history of the United States Postal Service. A recent history the events of which produced the tragic conditions that persisted! And this is the Postal Service that this management team, this Board of Governors and this Postmaster General were handed to rescue in the summer of 2020.

And **together** we aligned enough **thoughtfulness** to produce the strategies and tactics contained in our delivering for America Plan.

And **together** we amassed enough **forcefulness** to achieve the many accomplishments to date..... and prepared us to tackle the many remaining requirements of this transformation.

We are at a different time, with different leadership, collaborating to push through an agenda that is full of reality, resolve and that preserves our public service mission.

The United States Postal Service by law needs to deliver mail and packages to 165 million delivery points 6 days a week – and cover its costs. And we have a host of other legislatively mandated and regulated service requirements.

In the Delivering for America Plan we sign on to fulfill those requirements by improving our service, reducing our cost, growing our revenue, motivating our employees and advocating for reasonable changes to burdensome legislation, regulation and rules.

This is a heavy lift, but it is achievable! But it means dramatic change, led by the men and women of the United States Postal Service and it means endeavoring to cast aside and overcome the stale and ineffective ideas of the past, which are still entrenched in many of the stakeholder initiatives surrounding us today!

Starting from a freefall, we stabilized and began this climb approximately two years ago and we are making great progress. As with any large turnaround engagement, our initial focus was to create the strategy to transform and the runway to deploy! And so we did!

- By leadership embracing the challenge of survival
- By generating cash and reducing obligations
- By evolving our service with standards changes and product repositioning
- By deploying improved operating and marketing practices to improve our service and relationships
- By engaging and motivating our employees
- And by increasing our capacity to meet our challenges and raising our game across the board.

These tactics have resulted in two successful peak seasons, a national response to the Covid pandemic and the service reliability we deliver today, with 98% of the American public receiving their mail and packages within three days.

During these same two years, we have also reduced our previously projected 10-year losses from over \$160 billion down to \$70 billion. This was accomplished during a pandemic, in a period of high inflation, and while implementing costly initiatives to stabilize our service.

Serve the Nation with Postal Products and cover your costs --that is the law and that is what we are pursuing! I am very thankful to all my Postal teammates, to our board, and to the recent congresses for their commitment to our strategy.

Concurrent with developing the momentum and creating the breathing room, we initiated a comprehensive redesign of our organization and its practices and renewed our focus on our most important asset, our people!

Our organizational dysfunction was easily identified and addressed early on.

I travelled the country and presented to our employees my sophisticated diagnostic of our existing organizational and operational strategies, and depicted it with this:

This is how it looked to me.

Random, haphazard non-productive processes and strategies had developed over the years sending 635,000 people out each day individually chasing the unachievable. We had regions, departments, areas, districts, and executives flurrying around like bats, using their individual radars to operate decades of ill-defined and long-ago failed pursuits!

There were numerous answers to the same questions, and I observed a very talented and committed group of people working very hard to produce results, who I early on concluded were capable of much more.

I spoke about this with everyone...used the bat photo you see on the screen. You know what...almost everyone agreed!

I don't know-- maybe it was because I am Postmaster General of the United States, or because it was obvious, but either way I ran with it. This was a simple and quick summation that we needed dramatic change.

The response was immediate and overwhelming. Everyone in our organization knew it had to happen! This is true! But I am not done. That's just one slide. You can't transform an organization with one slide. It took two!

I then told thousands of people that my goal for our organization and our operational strategies is to align and look like this. I told them I don't know if those are ducks, or geese, or pigeons or rabbits...but they look like they know what they are doing...and where they are going!

I said this is the powerful alignment of people, process, structure, and mission, and this is what we want for the United States Postal Service. The response again was immediate and overwhelming! Everyone inside our organization energetically embraced it!

That's it. Two images represent what we are doing here. All of us at the United States Postal Service...we are putting forth great effort to take our haphazard bureaucratic organization and liberating it to work on the right things, together, to pursue the achievable goals with the discipline required to create a successful organization.

We are now managing at a detail level from top to bottom, reinventing processes, challenging each other and collaborating for improvements in cost and service.

We reorganized areas and districts and brought many functions back to headquarters for consistency of message, direction, and implementation. We began a process of reviewing and updating over 900 policy manuals many of which had not been reviewed in 30 years. We improved on our supervision strategies, putting needed information in the hands of our managers, and measuring our performance in a detailed and repetitive manner.

We set actionable strategies for each functional group and resourced them for accomplishment. We improved on meeting structure, change management processes and set performance expectations. We recreated the promise of career with our craft employees by converting over 125,000 pre-career employees to full time status. We then created a reliable path to full time employment.

And then we talked it up, a lot!! And we excited everybody!

When I first came to the organization, I told everyone that despite our fragile situation we must believe we are, and will remain, a going concern. That we are going to be here 50 years from now!

I then said: "So now that we agree that we are going to be here 50 years from now. Let's figure out how that happens, and create a strategy that makes it possible!"

So we got to it, and let me show you what is happening! It is awesome!!!

(video presentation)

As you see, Doug, Joe and Luke are pumped up and helping me to inspire our whole organization to improve by implementing and pursuing the strategies we have set out to accomplish.

We are engaging to:

- Improve our operational precision
- Reduce our cost of performance
- Improve our service reliability
- Grow our business
- And create exciting long term career paths for all our employees.

We are deploying robust and comprehensive strategies that will continue to drive our improvement, and change our culture, to one that leads us to world class performance.

Our new energy is fostering improvements in our functional effectiveness which, in turn, is multiplying our talent throughout the organization.

Across the enterprise we are racing to reconstruct viable organizational and operational processes and create productive interactions that are instructive to our people so that this new, 'can do, will do and must do' attitude can be carried into the future.

We have created an environment that inspires engagement, enhances accountability and raises expectations and aspirations at all levels of Postal Service management. This new level of enterprise-wide collaboration is the key ingredient to our successful future...spreading the wisdom of our **thoughtfulness** to thousands of people a month throughout the organization.

This is not fiction, this is real stuff, and we are just getting our running legs. We are refining our strategies and we are implementing them with a competitive spirit, and pride in accomplishment that is growing.

Now that we have everyone all pumped up and ready to go, we are well into tackling the major obstacles in our way to enable us to provide world class levels of service.

The biggest initiative, and one that will address a condition that has driven high cost and restricted performance, is the redesign of our national processing network and the operating practices we deploy to use it.

Over the years, we had addressed our changing operating requirements by haphazardly deploying plant, labor, and transportation in a manner that systematically disaggregated all mail and package flow. This created substantial **work arounds**, and gross inefficiencies. '**Work arounds**' were the standard operating practice at the Postal Service, and it was deployed in a 'bat like' manner... expansively.

This process created a national processing network of over 425 facilities randomly **plopped together** over the last 15 years. And I did use a technical term... '**plopped!**'

These facilities were assembled without a national strategic operating plan or design, driving up cost, ignoring precision and reducing our ability to effectively operate. Our package processing facilities lacked basic material handling equipment despite the increasing package volumes, requiring tens of millions packages to be processed by hand every day.

Who would think it is OK to process tens of millions of packages a day by hand? See me after the show and I will give you the list.

Our transportation processes were sloppy, creating over 50,000 truck trips a day, that were roughly 70 percent empty. All of this, while incurring substantial air transportation costs, flying everything and anything around the country. Our contract transportation carrier performance was poor, and we kept buying more of it!

Our network facilities, several hundred of them, had random and illogical layouts which hindered performance and their maintenance was significantly deferred, to the tune of billions of dollars. We did not have the basic operational management technology, nor the defined objectives to manage the network, nor the precision required to be successful on a daily basis.

Over the last two years we have worked hard to change all of this.

Multiple teams across the organization have worked diligently to uncover, understand, and document all aspects of mail and package flow throughout our system.

We needed to figure out, at a detailed level how we were accomplishing the work so we could collectively determine what needed to be changed and put together a plan to execute the transition carefully. One of our executives called it The Great Unwind!

Once we had a better handle on what we were doing every day, we began to address the major structural design changes required in each function. Through this process we came up with both long-term and short-term objectives everywhere, and are pursuing them concurrently in a deliberate manner.

We are an operational services entity – ours is a transactional business, processes and details matter – and our and our focus on these details across the organization has improved dramatically.

And I am proud of and impressed with the team's commitment to this change and the results it is producing. As I said, 98 percent of the country's population receives their mail and packages within 3 days. Mail and packages on average are delivered in 2.5 days. Approximately half of the mail and packages that now get delivered beat their service standard by 1 day.

The service performance for Marketing Mail has been over 95% for months. And, for those using our regional entry products, you are seeing a 98 percent on time performance for the products where we have committed to deliver within 24-hours!

This demonstrates stability and provides us with the resilience to make the future major structural changes we are advancing.

I have seen a dramatic improvement in our operations team's ability to:

- diagnose our problems,
- design new strategies,
- collaborate with other system participants,
- and implement with process compliance.

This is a big change, and while we have a lot more to grow, I believe we now have a focused and learning organization, starting from headquarters and reaching out to the field. And it comes from two years of deliberate and detailed self-critique and the development of strategies for improvement.

We must now execute rapidly on our plans to deploy our network. This is the only way to achieve the service and cost improvements necessary for us to fulfill our mission to rescue this organization.

We are moving out and we are ready to do it. Let me show you:

(video presentation)

Awesome stuff! As you can see, Scott, Isaac and Kelly are excited about our strategy, and they are ready to roll with over 30 facility openings in the coming year.

To give you a little more color, our network will include 60 Regional Processing and Distribution Centers of adequate size and capacity to handle all volume transported into and out of each specified region. Approximately 45 of these facilities will be in existing Postal plants.

These facilities will be significantly redesigned for our new intended purpose, aggregating all cubic volume and moving it together with specific value-added intention. We plan 15 new facilities in areas of the country that have experienced expansive growth.

We will combine randomly deployed annexes, and some outsourced functions, into these Regional Centers to achieve maximum efficiency and effectiveness. These Regional Processing Centers will connect to approximately 220 Local Processing Centers (or LPCs) strategically located within each RPDC territory.

These Local Processing Centers are postal facilities that already exist. They too will be redesigned to focus on the destinating operating requirements for mail processing and will serve as transfer hubs to our delivery centers.

In total, this will be a reduction of approximately 200 small and wasteful accessorial functional locations in our system. This is not a consolidation! It is an aggregation of randomly deployed functionality spread out across a local area because of ill-planned deployments.

The Great Unwind!!

No longer will we have half-implemented temporary facilities with terrible amenities creating employee issues, additional cost and time delays.

We are going to deploy package sorting equipment with significantly more capacity and sophistication, giving us the ability to execute on strategies to increase throughput and reduce cost. And this will benefit both mail and package flow!

As Scott said in the video, we are reconfiguring our facility equipment, our operating processes, and improving our national transportation functions to logically sequence mail and package flow...which is in fact the **total opposite** of what we have done in the past.

Once completed, this new network will be able to accept mail and packages at specified cutoff times and reach millions of delivery points the next day, taking the Postal Service from the leader in the last mile, to the leader in the last 150 miles.

This delivery reach will be achieved because this new national network of **efficient execution** will connect to the greatest delivery route system and carrier complement the world has ever known!

The United States Postal Service operates over 250,000 carrier routes reaching 165 million delivery points 6 days a week. We connect planes to sleds in Alaska. We connect trucks to donkeys in Arizona and we connect boats to bicycles in Florida, to perform our service to the American people. While this delivery system is spectacular, it is also the costliest part of our business, making up over 50 percent of our operating budget.

Like our national network, our Retail and Delivery network requires change. Rapidly!!

We have carrier routes that have not been adjusted in years, even though significant changes in mail volume, mail profile and residential development have been incessant. We have maintained our old "mail only" delivery strategies, diluting our magnificence by dividing up our carrier routes to over 19,000 locations.

We can easily find 50 small delivery units within a 25-mile radius in multiple metro areas. Almost all these facilities are small, with limited docks, without package sorting equipment, and have very little parking. Some of these facilities have so little electric power, I would be afraid to plug in a coffee pot, so they are certainly not capable of becoming the future home of America's largest electric vehicle fleet. Both our retail centers and our delivery units have years of deferred maintenance.

And finally, there has been a failure of imagination. But we know there are opportunities to create new activities for our 32,000 retail centers around the nation, offering services and products the nation needs--- and will purchase from a convenient and welcoming Post Office.

Today the competition in the package delivery market is smart and well capitalized, but it also faces challenges.

Now is the time!

I believe we can become the preferred delivery provider in the nation, reclaiming volume we have lost over the years and capturing a significant portion of the future growth in the marketplace. We want to earn more of your business. To do this our approach to delivery and retail must change, and change fast. Let's look at what we are doing!

(video presentation)

As you can see Josh, Angela and Elvin are rocking! And their talented teams are following them and pushing forward with deliberate execution to modernize all aspects of our operations. As Josh said, we expect to deploy over 400 new Sorting and Delivery Centers (or S&DC's) in the next 3 years.

Because the S&DCs will be larger and centrally located facilities with more space, better parking lots, substantial electric power and other infrastructure, they will enable us to combine the delivery operations of small delivery units in the surrounding area into the S&DCs.

Importantly for our commercial customers, because the S&DCs will efficiently transfer to additional downstream small delivery units and retail centers, we will now have single access points for entering mail and packages into our last-mile delivery network that can reach many more homes and businesses from one entry point. This is a game changer!

About 300 of the S&DCs will come by taking previously vacated mail processing plants and reconditioning them for package processing, mail transfer operations, electric vehicle charging and delivery purposes. Another 100 will come by being co-located in our Local Processing Centers, thereby eliminating 100 percent of the truck traffic to reach those routes. We will then expand, equip, and improve our larger delivery units that already exist to enable them to deploy the same functionality.

We expect this exciting new functionality to be deployed in at least 600 delivery units around the country. Accompanying this delivery facility strategy are the systems and methods to get destinating mail to these centers and get collections quickly back into our system.

No longer do we plan to have several thousand trucks a day roaming the nation's streets only 30 percent full.

We are in the process of organizing our local transportation into a hub and spoke system connecting large, equipped S&DCs to the remaining 15,000 smaller delivery units. Smaller transport vehicles operating round trip service schedules and dynamically routed assignments will enable us to utilize all our equipment and driver

availability more efficiently. This will improve our service, reduce our cost, reduce our carbon footprint and inspire new service opportunities.

Same day delivery will grow to become an important part of our delivery strategy, as our new S&DCs will have plenty of available capacity. Same day responsiveness is our goal, optimizing every emergent activity into our massive daily routine.

We are in every community. This will be unbeatable! I am very excited about all our operational improvements.

But there another thing we are doing that I am equally excited about. You see, I consider our improved processing and delivery network to be our growth platform. With our reinvented network, we will reinvent our services. We have long neglected our portfolio of offerings by allowing our magnificent footprint to be suboptimized, thus, ceding efficient functionality, customer relationships, and offering confusing service products.

No longer. With these improvements in our design and execution, we plan to continue to simplify our products and put forth a compelling suite of service offerings that will...well, shake it up!

We must go to 165 million delivery points 6 days a week, so why not do it right and in a manner that provides the best value and the best solutions to our customers?

I visualize our network as a **conveyor system throughout the whole nation** leading **TO** every home and business, **FROM** every home and business, effortlessly connecting the nation from address to address without variation and with measured performance and capacity.

I see our USPS conveyor system providing tens of thousands of induction points, at different rates of speed, covering varying distances, with millions of diverts, and going in both directions, at a price that sells. And I see our conveyor system carrying mail and packages, aggregated together for the full ride throughout the nation, delivering a system-wide reduction in cost that helps position us to compete for your business.

And our sales and marketing teams are ready to take it to our customers with new offerings and solutions that will rival any competitive organization. Let's take a look.

(video presentation)

As you can see, Jakki, Steve and Pritha are ready to lead our sales and marketing teams forward in penetrating the market with new energy, new products, and new ways to interact with our customers. And the Chief and the Postal Inspection Service are ramping up their engagement to protect people, property and product.

And they stand side by side with our whole operations leadership team, and the women and men of the United States Postal Service, who are committed to delivering this transformation and our cost-effective service to you.

Simple, affordable, fast, understandable, easy to use...**always there**...these are the features of the United States Postal Service that we are offering. We will keep you in touch with your communities, the nation and the world.

We are working to be the best partners, with both the mailing and shipping industries, with both large and small businesses, with both large and small communities, with federal and state agencies, and with all the American people. We will become the most reliable, most affordable, most equitable, and most environmentally friendly service in the land.

We have energized our sales force, as well as our marketing, customer service, and account management teams to engage with a curious and can-do attitude. We will seek collaborative relationships with you that will not only increase **our** business prospects, but also **yours**, which will inspire us to deploy new and creative offerings together.

We have the most committed and capable service-oriented people in our customer outreach functions. For years their effectiveness has been hampered! It is a new day for them-- and they will deliver the new revenue we need to thrive!

One of the most unfortunate characteristics of the Postal Service that developed over the last 15 years of duress is that we lost almost all ability and willingness to shape the dialogue about us. While stakeholders articulated and

pursued their special interests about the Postal Service, we were largely silent. Our failure to effectively advocate for ourselves negatively impacted our people, our service, and our brand.

Under the circumstances, it is easy to see how it developed. An organization supposedly independent from politics, with a mandate to operate like a business, nevertheless had embedded in it the culture and demeanor of both bureaucrats and public servants. It had the ill-defined demands of the Universal Service Obligation, the broad and overreaching expectations of the Congress, a mailing industry with outsized political influence and powerful self-interests, and a confused and confusing regulator – all of whom were creating what became the muddled voice of postal issues – that largely disregarded the financial sustainability of the Postal Service.

This parochial and political advocacy existed at a time when the funding model supporting their legacy pursuits diminished drastically. Therefore, the objectives they pursued and suggested for the Postal Service had long ago become unachievable. The Postal Service couldn't come up with a plan for the unachievable, so they didn't produce one. As a result, they became victims to the noise and interference offered by the activism around us.

The Delivering for America Plan is not a plan for the unachievable. It is a plan for dramatic change in how we perform our service, that if executed in time and with care, will lead to long term success for the organization.

In addition to all the numerous operating initiatives we have, we have initiated actions to reclaim our voice on all matters Postal, we must inform, advocate, convince, and gain support for those who appreciate the changing times and our plans to address them. And we must frustrate the efforts of those who have motives that, however good or bad, are not achievable.

It all comes down to having a credible message and a respected voice! We believe we now have one. Let's look.

(video presentation)

How about that! There are days I find it hard to believe it is us. As you can see, we have hundreds of initiatives underway across the organization that I am convinced will not only rectify the results of the mistakes of the past, but that will also put us on the path to providing service excellence in a financially responsible way that I hope all stakeholders can rally around.

We are touching

- every facility,
- every vehicle,
- every technology,
- every software application,
- every transport lane,
- every piece of equipment,
- every product,
- every executive,
- every manager,
- every supervisor,
- and every employee

to get us in a position to serve **every address across America.**

And now is the time, with all our activity and new voice, to improve and promote our environmental sustainability initiatives, with plans to dramatically reduce our carbon footprint in delivery, transportation and facility operations. The bold strategies we will pursue are good for the planet, align with our mission, and they are also financially responsible.

As you have witnessed, the Postal Service now has the expertise and organizational structure to execute on our strategies, to advocate for our initiatives, and to engineer the transformative change that will propel us into the future. We have made and will continue to make the many tough decisions required to keep us on course to reach our goals.

We now need to step up our cost reduction and revenue initiatives and continue to shape our service based on the authorities we have and can garner through our advocacy. This is our responsibility, as an independent agency, to shape our service to meet the needs of the American people as the conditions in the economy and our organization change.

We must do this while also covering our costs by driving out inefficiencies, and growing our revenue by using our pricing power and improved product offerings. It is the law.

We have made a lot of change, and there has been a lot of noise. However, the changes that we have made so far have not caused the earth to collide with the sun. Market dominant mail and packages are moving more reliably together and as fast as ever. So much for all that excitement.

There are many more initiatives that we must pursue to continue to make the meaningful progress that is required to fulfill our mission.

Over the last almost 250 years the Postal Service has had numerous bouts with circumstances that threatened its existence. In many instances these events came about when the desires of the Postal Service stakeholders exceeded the organizations' ability to succeed. Yet the Postal Service endeavored to meet these desires – wrecking havoc on the organization and leading to catastrophic consequences – before action was taken.

Such imminent catastrophes occurred numerous times throughout our history. In fact, in 1970 the existence of the Post Office Department, as we were then known, as ended.

A new structure was put in place to create an organization that was to be independent and free of political influence, and that could operate in a business-like fashion. This new organization was to take care of itself and not do things that would lead to its destruction. A grand ideal that worked for a while, but then in 2006 stakeholder desires again began to exceed the ability of the Postal service to succeed. And the Postal Service was again forced to pursue objectives that were not achievable leading to the near catastrophic consequences we faced in 2020.

Much like in 1970, we are at a crossroads. In the past, we have made only marginal changes and refused to confront the realities that face us. The fate of the Postal Service will be decided by the decisions we make now and whether we are successful in implementing the Delivering for America plan.

I know that we can have a vibrant, thriving Postal Service that can realistically serve the needs of our stakeholders in a financially self-sufficient manner. In some respects, the path in front of us can be likened to what happens in a novel. Will this be a romance, or will it be a tragedy?

In a romance novel, the driving force is the lofty desires of the protagonist. In a good fiction novel, the pursuit of these desires creates the drama that captivates the reader...the passion of the quest...decisions and actions that bring hopes of achievement. When the object of desire is obtained, it produces overwhelming emotion. In the end, all problems are solved and all people are happy! Yeah!

In tragedies, the story usually starts just like the romance. The same passion of the quests exist that creates the drama. However, in tragedies the object of desire is not obtained, often because it was never attainable. It is incessantly searched for and never found. It often leads to irrational pursuits and interactions. Decisions and actions in hope of achievement that are derived from emotion but not grounded in reality. In this pursuit much goes from good fortune – to bad fortune – in a painful manner.

Over the last 15 years we have been experiencing the tragedy of the Postal Service. Lofty desires that were incessantly pursued but that could never be satisfied. Because they were unachievable!

The tragic end of this Postal Service as we know it came pretty close in 2020. Months away! Through a lot of work, we were able to add a few unwritten chapters to the story so we may carry on and create expectations and desires from our stakeholders that can be satisfied by the hard-working women and men of the Postal Service.

And I will tell you with great confidence and conviction that the Postal Service can have a great future. Not by doing what has led to the tragic experiences of the past. But by finding new ways to serve and new ways to operate that benefit our mailing and shipping customers as we together serve the American public. An object of desire that we can obtain. Let me show you what achievable looks like.

(video presentation)

We are on the path to meet the goals and aspirations of the public and the nation we serve. Our trajectory is upward. There is much more depth and detail to explore in the next few days.

Be sure to attend our session tomorrow morning where some of our Executive Leadership Team will walk through in more detail the impressive changes we are pursuing.

I hope you are inspired by our progress and by the opportunities for your own business success. Thank you very much for being here. Thank you for your business. Have a productive Postal Forum.”

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to nearly 165 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, [Delivering for America](#), to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America’s most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

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