

## **POSTAL NEWS**

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## Postal Service Takes Next Step in Optimizing Retail Network

Announces Post Office Replacement Model

WASHINGTON — As more customers choose to conduct their postal business online, on their smart phones and at their favorite shopping destinations, the need for the U.S. Postal Service to maintain its nearly 32,000 retail offices — the largest retail network in the country — diminishes. To that end, the U.S. Postal Service announced today that it will be taking the next step in right-sizing its expansive retail network by conducting studies of approximately 3,700 retail offices to determine customer needs. As part of this effort, the Postal Service also introduced a retail-replacement option for affected communities around the nation.

"Today, more than 35 percent of the Postal Service's retail revenue comes from expanded access locations such as grocery stores, drug stores, office supply stores, retail chains, self-service kiosks, ATMs and *usps.com*, open 24/7," said Postmaster General Patrick Donahoe. "Our customer's habits have made it clear that they no longer require a physical post office to conduct most of their postal business."

For communities currently without a postal retail office and for communities affected by these retail optimization efforts, the Postal Service introduced the Village Post Office as a potential replacement option. Village Post Offices would be operated by local businesses, such as pharmacies, grocery stores and other appropriate retailers, and would offer popular postal products and services such as stamps and flat-rate packaging.

"By working with third-party retailers, we're creating easier, more convenient access to our products and services when and where our customers want them," Donahoe said. "The Village Post Office will offer another way for us to meet our customers' needs."

With 32,000 postal retail offices and more than 70,000 third-party retailers — Approved Postal Providers — selling postage stamps and providing expanded access to other postal products and services, customers today have about 100,000 locations across the nation where they can do business with the Postal Service.

"The Postal Service of the future will be smaller, leaner and more competitive and it will continue to drive commerce, serve communities and deliver value," Donahoe added.

The list of offices being studied and additional information, including video, audio soundbites, b-roll and JPEGs, can be found at <a href="http://about.usps.com/news/electronic-press-kits/expandedaccess/welcome.htm">http://about.usps.com/news/electronic-press-kits/expandedaccess/welcome.htm</a>.

The Postal Service 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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A self-supporting government enterprise, the U.S. Postal Service is the only delivery service that reaches every address in the nation, 150 million residences, businesses and Post Office Boxes. The Postal Service receives no tax dollars for operating expenses, and relies on the sale of postage, products and services to fund its operations. With 32,000 retail locations and the most frequently visited website in the federal government, usps.com, the Postal Service has annual revenue of more than \$67 billion and delivers nearly 40 percent of the world's mail. If it were a private sector company, the U.S. Postal Service would rank 29th in the 2010 Fortune 500. Black Enterprise and Hispanic Business magazines ranked the Postal Service as a leader in workforce diversity. The Postal Service has been named the Most Trusted Government Agency six consecutive years and the sixth Most Trusted Business in the nation by the Ponemon Institute.