

E-COM, Electronic Computer Originated Mail

E-COM, Electronic Computer Originated Mail, began on January 4, 1982, and ended on September 3, 1985. The service was intended to allow business mailers across the United States to take advantage of electronics to ensure delivery of hard-copy mail to any address within the contiguous 48 states within two days. E-COM service originally allowed mailers to transmit messages of up to two pages from their own computers, via telecommunication lines, to one or more of 25 serving Post Offices located around the country. The serving Post Offices were located in the cities of Atlanta, Boston, Charlotte, Chicago, Cincinnati, Dallas, Denver, Detroit, Kansas City, Los Angeles, Milwaukee, Minneapolis, Nashville, New Orleans, New York, Orlando, Philadelphia, Phoenix, Pittsburgh, Richmond, St. Louis, San Antonio, San Francisco, Seattle, and Washington, DC.

After arriving at the serving Post Office, the messages were processed and sorted by ZIP Code, then printed on letter-size bond paper, folded, and sealed in envelopes printed with a blue E-COM logo. Mailers were required to send a minimum of 200 messages per transmission.

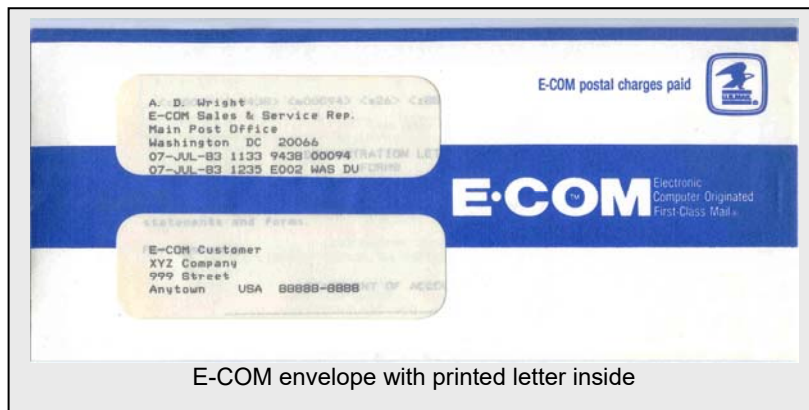
E-COM service was introduced at a rate of 26 cents for the first page, and 5 cents for the second. In addition, there was an annual \$50 fee for the service.

During its first year, 3.2 million E-COM messages were sent, and more than 600 customers submitted applications for the service. The initial volume and rate of growth was not as rapid as expected, probably caused, to some extent, by the efforts of private carriers and the Antitrust Division of the Justice Department to prevent the Postal Service from offering the service. Mailers were not assured the service would continue until a ruling by the Court of Appeals for the District of Columbia on April 21, 1982.

In fiscal year 1983, the Postal Service handled 15.3 million E-COM messages and proposed that the Postal Rate Commission approve a rate of 31 cents for the first page of a message and 9 cents for a second page. The Postal Service also proposed that the 200-piece minimum be dropped and that a reply envelope service be added. E-COM successfully met its two-day service standard and had 498 certified customers, 264 of whom were telecommunications common carriers.

In fiscal year 1984, 23 million E-COM messages were sent. E-COM service had 1,046 certified customers, 528 of whom were communication carriers. That year, the Postal Rate Commission responded to the Postal Service's 1983 request for a 31-cent rate for the first page by recommending a rate of 52 cents for the first page and 15 cents for the second page of E-COM messages. The Governors of the Postal Service, who decide rates and postal policies but can overrule a Postal Rate Commission decision only by a unanimous vote, rejected the Commission's recommended decision and asked for reconsideration. The Commission responded in June with a recommendation of a 49-cent rate for the first page and 14 cents for the second page. The Governors rejected these rates as well, essentially because they priced E-COM out the market, and recommended that the Postal Service dispose of the E-COM system by sale or lease to a private firm or firms.

On September 2, 1985, after failing to find a buyer or lessee, the Postal Service discontinued E-COM service.



E-COM envelope with printed letter inside