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Contact: Jessica McCreight
jmccreight@SKDKnick.com; 202-464-6900

CORRECTED: Affordable Mail Alliance Responds to USPS Earnings Report

Washington, DC – The Affordable Mail Alliance today responded to the United States Postal Services' earnings report. The report contends that the USPS will not have the capital to continue operations into FY 2011. This claim is false.

As the Postal Service said just a month ago in its rate filing, even after making this year's Retiree Health Benefit payment, USPS will end FY 2010 with \$1.3 billion in cash. Further, on October 1, the first day of FY 2011, the USPS will have access to another \$1.8 billion. In addition, a potential shortfall could be eliminated by waiving either the FY 2010 or FY 2011 Retiree Health Benefit payment of \$5.5 billion.

"We're saddened to see these dubious claims by the Postal Service and would hope for a more constructive dialogue with customers instead of misleading public statements," Tony Conway, Affordable Mail Alliance Spokesperson and Executive Director of the Alliance of Nonprofit Mailers. "Unfortunately, the Postal Service seems to be attempting to justify their proposed rate hikes of ten times the rate of inflation – a move that would drive away more consumers and worsen the financial situation they're highlighting in this report."

More about the Affordable Mail Alliance:

The Affordable Mail Alliance, an unprecedented coalition of postal customers, is calling on the Postal Regulatory Commission to reject the United States Postal Service's new proposal to increase postal rates by up to ten times the rate permissible by law. The new coalition includes charities, large and small businesses, American household names and the customers who use the Post Office every day – customers that will suffer if USPS successfully raises rates again.

For further information, please visit www.affordablemailalliance.org or contact Jessica McCreight; jmccreight@SKDKnick.com; 202-464-6900.

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