



COALITION FOR A
21st CENTURY
POSTAL SERVICE

The Hon. Darrell Issa
Chairman
Committee on Oversight
and Government Reform
U.S. House of Representatives
Washington, DC 20515

July 23, 2013

Dear Mr. Chairman:

The Coalition for a 21st Century Postal Service (C21) strongly supports the Postal Reform Act of 2013, HR 2748, which you introduced on July 19. We believe that HR 2748, if enacted, would be a major step toward bringing the Postal Service most, if not all, of the way back to financial stability, while incorporating a number of helpful modernizing reforms.

The Coalition broadly represents the \$1.3 trillion industry, mailers and their suppliers, employing 7.8 million private sector workers, which relies upon USPS.¹ C21 believes it vital to stabilize USPS financially, and enable reforms to permit the system to compete and sustain itself in this digital era.

We would like to once again salute your leadership on this legislation. Your incorporation last week of several provisions supported by the Minority strengthened the bill, improved its potential for passage, and laid a basis for aspiring to bipartisan support.

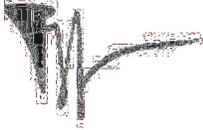
As you may recall, C21 submitted comments on the discussion draft of your bill last week, in response to your invitation, that provided detailed views on the specifics. There is no need to repeat them here, but we would like to comment on one vital aspect of your bill.

You have wisely refrained from any changes to the CPI-based indexed ratesetting system. As you fully understand, with inexpensive and effective alternatives to paper communications widely available to USPS business customers, who pay or generate 90% of postal revenues, rate increases beyond inflation would be dramatically counterproductive to USPS finances and its future, and undermine the progress HR 2748 would set in motion.

¹ C21's corporate and trade association members include paper manufacturers, printers, technology suppliers, advertisers, catalogers, magazines, newspapers, greeting card publishers, financial houses and other major transactional mailers, prescription and e-commerce sales fulfillment, parcel shippers and more. We have attached, for convenience, a current list of our members

Thank you again, Mr. Chairman, and we look forward to working with you toward passage of this critical legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Benjamin Y. Cooper". The signature is stylized with a prominent vertical stroke on the left and a horizontal stroke extending to the right.

Benjamin Y. Cooper
Co-Manager
C21

A handwritten signature in black ink, appearing to read "Arthur B. Sackler". The signature is written in a cursive style with a large initial "A" and a long, sweeping tail.

Arthur B. Sackler
Co-Manager
C21