

March 27, 2003

Mr. Dennis Shea
Executive Director
President's Commission of the United States Postal Service
1120 Vermont Avenue N.W., Suite 971
Washington, D.C. 20005

Dear Mr. Shea,

We realize the deadline originally articulated by the Presidential Commission for the receptiveness of reply comments has passed, but based on our review of the original and reply comments submitted, we decided it was best to offer comments. We hope the Commission will find these comments of value and will accept them, along with others, as part of the official record of the Commission's proceedings.

Also, we hope you will accept these comments as "timely" in that they are directed toward that topic which the Commission is expected to address at its Los Angeles public meeting on April 4.

Our comments pertain particularly to the suppositions advanced regarding the role of the U.S. Postal Service (USPS) in the provision of package delivery services.

Specifically, we refer to comments made regarding the role to be played by the USPS in the package delivery market. We think this market should be part of the Postal Service's core mission, or even its broader mission. There are facts that should be considered.

1. The USPS has been involved in the movement and delivery of goods far longer than any private sector delivery company. In fact, the private sector firms have chosen to enter an area already well served by the Postal Service. The Postal Service's historical role as a deliverer of mail-order goods to the underdeveloped areas of this nation is a manifestation of its commitment to provide a universal delivery service that historically has been considered of fundamental importance to the American public.
2. As a practical matter, everyday experience has sufficiently indicated that the "universality" of the service that private sector firms provide has a fundamentally different character than the "universal" service provided by the USPS. All one needs to do is ask customers of both USPS and UPS to learn of the differences as well as the similarities. No private sector delivery service provider can assure that it can provide a perfect substitute for the kind of service that the USPS has long provided.

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3. Private sector providers such as ourselves have benefited from the unique delivery services the USPS has and continues to provide. Our airborne@home service is a perfect example of just how well a public sector provider can supplement the services provided by a private sector company in a competitive market. airborne@home is an excellent example of the kind of private-public sector partnering the Postal Service should be encouraged to continue to engage in to ensure the cost efficient provision of vital services without unnecessarily compromising the competitive integrity of the marketplace.

The Postal Service plays yet another role in today's marketplace. It enhances the availability of competitive alternatives that otherwise would be lacking. With Federal Express' dominance in the air market and UPS' in the ground, this duopoly, without the likes of the USPS and Airborne Express, could potentially control the pricing and provision of goods transportation services that are vital to the American economic infrastructure.

Thank you for the opportunity to offer comment.

Regards,

Darby Langdon
Sr. Vice President, Planning

cc: David Anderson, Vice President, General Counsel & Corporate Secretary