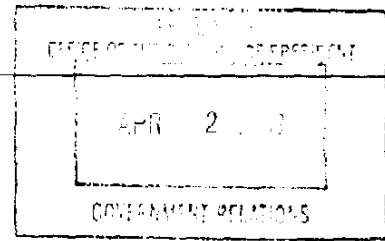


ANITA J. BIZZOTTO
CHIEF MARKETING OFFICER
SENIOR VICE PRESIDENT

cc: Govt Relations



March 31, 2003

OFFICERS

SUBJECT: Marketing Realignment—International Business

Over the past several months Marketing has taken a hard look at its recent reorganized structure to determine where changes can be made to make the organization more integrated and effective. To that end, we have realigned the International Business function. The realignment consolidates all pricing activities as well as customized pricing agreements under one vice-president. In addition, we have consolidated the product management of international letters and packages into one function to bring the International product management initiatives closer to the activities taking place in the domestic environment. The new structure is outlined below.

The international pricing and customized solutions functions are being reassigned to Stephen Kearney, vice president, Pricing & Classification. John Alepa, will move to Pricing & Classification to continue his work as the manager, International Pricing. Michael Plunkett, manager, Pricing Strategy, will have the added responsibility for the international customized mail agreements in addition to his current work on negotiated service agreements for the domestic marketplace.

The international product development function will be reassigned to Nicholas Barranca, vice president, Product Development. Janet Mitchell will become the manager, International Product Development. Robert Michelson will also move to Product Development and take on a new position as the manager, Product Strategic Planning, focusing on the long-range strategic planning for all postal products.

James Wade, vice president, International Business will focus on coordination with the State Department for the development of U.S. Government policy positions on key international postal issues involving the participation of international organizations such as the Universal Postal Union (UPU). This activity takes on increased significance as the State Department has the lead role on UPU policy matters to be decided at next year's Universal Postal Congress. International Business will also continue as the focal point for global business development initiatives underway with foreign postal administrations to improve service and build revenue.

We believe this realignment will allow for a more cohesive marketing strategy and allow the International function to gain from the new direction of the domestic pricing and product strategies.

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