

U.S. Postal Service to lose \$1 billion

by UPI

WASHINGTON - U.S. Postmaster General John Potter told a U.S. Senate subcommittee the postal service is on line to lose \$1 billion in 2008 due to decreasing business. "We would never be able to dig out of that hole," Potter told senators Wednesday. The postal service is threatened by a drop off in first-class mail -- from 98 billion pieces in 2004 to 96 billion in 2007 -- and by increased pressure from states, 18 of which have introduced bills to allow residents to opt out of receiving junk mail. "We threw out the equivalent of a grocery bag of unwanted mail each day," Maryland Del. Karen S. Montgomery, D-Brookeville, told The Washington Post. Montgomery introduced a "do not mail" bill in Maryland but withdrew it under pressure from lobbyists, the report said. The U.S. Postal Service can only raise letter rates to coincide with inflation but it can raise package rates to stay abreast of competitors. But, Potter asked senators to consider allowing the postal service to rent out space to retailers. "Other countries ... look at their assets and use those assets to generate revenue," Potter said. "That type of flexibility is something I think we need to explore."

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