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Cost-cutting ideas for postal service

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Our Postal Service suffered a \$15.9 billion loss last year; their costs were \$70 billion. Not surprising. It's much more expensive to mail a letter or a bill payment than to use email.

More than 25 years ago, I wrote to the U.S. Postmaster General and to the chairman of the Congressional Postal Regulations Committee (email hadn't arrived yet) with some cost-cutting ideas. I saved a copy of the Postmaster's reply which, not surprisingly, consisted of a typewritten page of bureaucratic excuses.

My first suggestion was to eliminate Saturday delivery. Now the USPS wants to cut Saturday service to save \$2 billion annually (starting in August). If they had listened when I first sent the suggestion, they already would have saved \$50 billion.

It may seem odd that a marketing/PR pro would support cutting back on the very service that delivers so much promotional material. But offers made in flyers that arrive on Saturday will still arouse interest when opened on Monday.

The second suggestion was to allow paid advertising on the side of Post Office trucks. They tried a pilot program, selling ads only on trucks owned by companies that contract with the USPS. Ads cost \$500 per month. Advertisers were chosen carefully, like agencies promoting seat belt use, and anti-drug and anti-alcohol messages.

The USPS operates the world's largest civilian fleet, paying \$1 billion a year for fuel. They have over 200,000 vehicles traveling 1.2 billion miles each year. If they allowed advertising on just the 15,000 8-wheelers, that would bring in \$500 (per ad space) x 12 (months) x 15,000 (trucks) - almost \$100 million each year. Imagine if they sold ads on all 200,000 vehicles: \$1.2 billion per year!

Why hasn't the USPS continued the vehicle ad program? They're "deeply concerned" about damage to their brand. Their spokesman said, "We have no plans to roll out any advertising on our own trucks. The limited advertising on trucks owned by private companies was a short-term pilot in Colorado." In a 2009 poll, 71% agreed that selling ads on USPS property is a good idea. In recent years, ads on public transit, school buses and even police cars haven't affected their brands.

My third idea from 25 years ago was to sell ads on the back of postage stamps. Stamp sales are way down due to email, social media, cell phones, texting, etc., but the USPS still sells 27 billion stamps each year. If they charged just 10 cents per stamp ad, it would bring in \$27 million each year. (This reminds me of one of my favorite jokes, but you'll have to contact me to hear it.)

The bottom line: If they had listened to my ideas 25+ years ago, the USPS would have saved over \$75 billion. As the late Senator Everett Dirksen once said, "A billion here, a billion there -- soon you're talking about real money."

All of which brings me to my point: There are many creative ways and places to get your company or product noticed. The right creative person can develop the right message and find the right vehicles.

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