

As the Covid-19 Pandemic continues, our Postal Affairs team remains committed to keeping you informed with up to date developments related to USPS operations during this time of uncertainty. As a significant mailing industry partner, we are in a unique position to provide clear and accurate information, dispel rumors and suggest best practices during the pandemic. Please notify the Quad Postal Affairs team when you become aware of any changes, questions or something new related to how the USPS is reacting. We will investigate and update all. Please send inquiries to the Quad Postal Affairs Distribution list (Postal Affairs – Team) or ask your Quad representative.

There were several updates in the last week:

## **POSTAL IN THE PRESS**

### **Deputy Postmaster Resigns**

The staffing changes at the USPS continue, in addition to Louis DeJoy's appointment to be the new Postmaster General, and David Williams stepping down from the board of governors, Deputy Postmaster Ronald Stroman has announced his resignation from the agency, effective June 1. Stroman served 9 years at the Postal Service and more than 40 years in public service.

During his tenure, Stroman led government affairs and international mail issues for USPS, and worked with state and local officials to oversee the expansion of vote by mail.

With Stroman's departure, the Postal Service is left with a board that consists of four members who have been on the job less than two years. Meanwhile, DeJoy will be the first postmaster general in more than 20 years to lead the agency without prior experience working there.

## **USPS MARKETING SUPPORT**

### **Pandemic related marketing and training material from USPS**

As we look beyond this pandemic, the USPS has created some materials to help better understand and reposition the value of direct mail and overcome negative perception with marketers. It provides a variety of up to date statistics to help develop robust direct mail strategies. The new brochure "Mail Repositioned" is available [here](#).

Additionally, the USPS has developed a free 45 minute course, entitled "Mails New Dynamic Journey". This course aligns mail with the "Customer Journey" and will provide the tools necessary to develop strong direct mail marketing campaigns. The course can be found [here](#).

---

---

## UPDATE ON THE OVERALL STATE OF AFFAIRS FOR THE USPS

The long term financial state of the USPS remains an issue. However, The Alliance of Non-profit Mailing Association is reporting that the situation may not be as grim as some media are reporting. According to this organization, the Postal Service has stated they have enough cash and liquidity to continue operations at least until May 2021. They argue that the USPS is making very conservative assumptions that the surge in package deliveries will subside and reverse as the economy opens up more. They argue that this is an overly pessimistic outlook.

As for cash, on April 30, 2020, the Postal Service Fund had \$14,181,000,000 cash versus \$9,852,000,000 the prior month. This is according to page 12 of the [U.S. Treasury Monthly Statement of the Public Debt](#). On top of the \$14.2 billion in cash, USPS also has another \$11 billion in borrowing capacity. This provides liquidity of \$25 billion.

### DELIVERY PERFORMANCE

The USPS continues to make it clear that despite significant volume reductions, they are operating normally with delivery 6 days a week. If there are any places where that USO is not occurring, it is due to isolated contingency plans being put into effect and 6-day delivery will resume as soon as it is feasibly possible.

There have been some instances of service delays, particularly in NY and MI where the Covid-19 virus is most prevalent and affecting staffing. As previously stated, we have also heard of isolated instances where local retail services may be suspended temporarily for health reasons, but we have no reports of this impacting business mailing operations.

Postal Solutions, and in particular Postal Affairs, are working daily with the USPS to ensure our clients mail is delivered and monitoring any issues that may arise. We'll be updating this information as often as is necessary to be sure everyone has the correct information.

The USPS has provided volume statistics compared to the same period last year:

Total	Down 32.6%
Flats	Down 23%
Single Piece	Down 9%
First Presort	Down 4.4%
Marketing Mail	Down 40.0%
Periodicals	Up 2.6%
Packages	Up 64%

---

## LEGISLATIVE UPDATES

Last Friday, three postal Industry associations including MPA, ACMA and the Alliance of Non-Profit Mailers jointly sent a letter to the chairs of the Congressional committees responsible for postal issues. In light of the debate about Postal Service losses resulting from the COVID-19 pandemic and what to do in response, the letter urges Congress to provide funding to cover the Postal Service's financial losses due to COVID-19, to enact reforms that put the Postal Service on firm footing for the future, and to sustain postal volumes and revenues for decades to come by including in relief legislation reaffirmation of the current CPI. A copy of the letter can be viewed [here](#).

## CALL TO ACTION

In past weekly updates, we have been asking for businesses to reach out to their representatives and ask for congressional action on the USPS. We still encourage that activity as well as use of the previously provided sample letter.

We still feel that sending a personalized or business letter is the best path to action, but we would also like to highlight a new text option for people to contact their legislators on USPS issues – you can now text “MAIL” to 52886 and it will take the user to a site to generate an automated email to their Senators. This new option will significantly increase the volume of contacts as it could be done by a number of individuals within the same business.

In this incredible period of disruption, misinformation and rumors are likely to surface. Please notify the Quad Postal Affairs team when you become aware of any changes, questions or something new related to how the USPS is reacting. We will investigate and update all. Please send inquiries to the Postal Affairs Distribution list (Postal Affairs – Team) or contact your representative.

---

See how we can help.

     866.824.2869  [info@quad.com](mailto:info@quad.com) [Quad.com](https://quad.com)

© 2020 Quad/Graphics, Inc. All rights reserved. | 4.20 | Covid-19 Postal Affairs Update

