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Justice Talking Radio Transcript

The Future of the Postal Service—Air Date: 10/8/07

In business since 1775 by decree of the Second Continental Congress, the U.S. Postal Service is one of the most trusted branches of the federal government. It delivers more than 700 million pieces of mail each day and delivers to almost two million new addresses each year. But first class mail is down and email is up. Will the postal service be able to sustain its mission of universal service in the 21st century? On this edition of Justice Talking we take a look at the future of the postal service.

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MARGOT ADLER: From NPR, this is Justice Talking. I'm Margot Adler. Since the nation's founding, the postal service has supported business and been a mainstay of our democracy. But can those two missions coexist today and at what price?

UNIDENTIFIED MALE: The decision to raise the rates on small and mid-size magazines flies in the face of 200 years of history in this country.

UNIDENTIFIED MALE: But the fact of the matter is, the mail is very resilient. We are seeing new users of the mail, people we never thought of using the mail before.

MARGOT ADLER: On today's Justice Talking: the future of the postal service. Is it written in red ink or black? Can there be universal service in the age of privatization? And junk mail: it's in the eye of the beholder. Coming up after the news.

MARGOT ADLER: This is Justice Talking, from the University of Pennsylvania's Annenberg Public Policy Center. I'm Margot Adler. The U.S. postal service handles almost half the world's mail. And surveys show it is among the most trusted branches of government. But the

21st century has so far been a period of intense change for the U.S. mail system. On today's show, we take a look at what is changing and what it means for the future of the postal service. Coming up, Postmaster General Jack Potter talks about why he's bullish on the postal service, even though the most lucrative class of mail, first-class letters, continues to decline in the age of e-mail and electronic billing.

But first, a Philadelphia letter carrier tells us his job is about more than just delivering the mail.

GAIUS JENKINS: My name is Gaius Jenkins and I'm a Drexel Hill mailman, been delivering mail in Drexel Hill for 17 years. I've been with the postal service a total of 22 years.

[SINGING] I hear a song on the radio that will stay in my head all day long, and I will just sing it all day. [SINGING] I can honestly tell you, while we are walking, a lot of times I don't even have to look in the path that I'm going. I have walked this route for so long I think I can probably walk it in my sleep. [COMING UP TO A HOUSE] Michelle! Now watch this. [CHILDREN OPEN DOOR] What are you doing unlocking the door?

CHILD 1: Rubber bands.

CHILD 2: I want rubber bands!

GAIUS JENKINS: Why do you want rubber bands?

CHILD 2: 'Cause I want them.

MICHELLE: What do you do with them?

CHILD 1: I shoot them in the street.

GAIUS JENKINS: This is David and that is Michael?

CHILD 2: I'm David.

GAIUS JENKINS: And that's Michael.

MICHELLE: Thank you.

GAIUS JENKINS: Take care. When you've been delivering mail to people's homes for 10, 12 and sometimes as much as 17 years, you really become like family to them--at least I have, let me put it that way. I've become like family to these people. I have attended some of their funerals. I've attended some of their graduations. I'm not just their mailman. [SINGING]

MARGOT ADLER: Postmaster General Jack Potter says the mission of letter carriers like Gaius Jenkins is vital to the nation. In 2001, Jack Potter became the 72nd U.S. Postmaster General after a 23-year career that began when he was a clerk in New York. Welcome to Justice Talking.

JACK POTTER: Thank you, Margot. I'm happy to be here with you.

MARGOT ADLER: When you became postmaster general, many were predicting a dire future for what you say is the fourth-largest civilian employer in the world. The postal service was mired in debt and you called the business model of the U.S. mail system broken. Since then, you've presided over a postal service in the black, but some losses are expected in the coming year. What still needs to happen for the postal service to be on firm economic footing?

JACK POTTER: Well, personally, I think the postal service is on firm economic footing today. Our debt is very low. We've taken what was an \$11 billion debt and we drove it down to zero. Today, at the end of this year, we will probably have borrowed some \$4 billion. So we are well positioned today. We've had continuous improvement in productivity. We've seen strengthening in the products that we have to offer. We have, with the new law, an opportunity to compete. It's a matter of us getting about the business of doing that. Now going forward, obviously everyone out there is thinking that wow, you're going to lose a lot of mail to the Internet, and it's true there is going to be some diversion of transactions and some payments to the Internet. But the fact of the matter is the mail is very resilient and we are seeing new users of the mail, people we never thought of using the mail before.

MARGOT ADLER: Like eBay, I gather.

JACK POTTER: Like eBay. Who would have ever thought though ten years ago that you would be renting DVDs through the mail? So if you think about Netflix and Blockbuster, real opportunity to use the mail. We are excited about what we are seeing in Oregon, where the people in Oregon vote by mail. So no one a decade ago would have thought that you would be using the mail to vote and we know there is a lot of interest by other states to do that. So the fact that we have this network that touches every American provides a value to us that again, constantly changes. Because it's rare that you have the ability to use one network to reach everyone.

MARGOT ADLER: Both free-market advocates and those who believe a strong national postal service is part of a strong democracy have credited your leadership with turning around a lumbering system on the brink of crisis. How bad was it? How did it get that way? I've heard stories of corruption and incompetence among your predecessors. What challenges did you inherit?

JACK POTTER: Well, the postal service was facing a changing marketplace. People were concerned about whether or not the mail would remain relevant with the buildup of the Internet. And so the challenge was to muster our organization and have us focus on customer service. When you think about the postal service, we've been here for over 200 years and we've evolved as America has evolved. And so what we had to do was deal with a rising level of borrowing, a deficit of some \$6 billion, and we had to focus on what the needs of the American public were in the year 2001.

MARGOT ADLER: A founding principle of the U.S. mail system is what is known as the "universal service obligation." That is the idea that a letter from anywhere can go anywhere in the country for the price of a stamp. In other words, a letter to rural Utah or a letter to a soldier in Guam costs the same. As efficiency hawks go up against advocates for a well-supported national postal service, some say that that promise is at risk. And others say that more competition would not threaten the universal service obligation. First of all, how important is universal service?

JACK POTTER: Universal service is very important to America. I believe that the mail has been a major contributor to the development of the strongest economy in the world, because everybody, regardless of where they are in America, has the ability to participate in this great economy. Going forward, I believe that that promise that everyone can participate is something that is part and parcel of the American experience, and something that, I believe, the Congress truly supports. We've just gone through a period of legislation where they changed the law that governs the postal service. It was passed in December of 2006 and signed by the president. There was no discussion about elimination of universal service. Again, that is something that is near and dear to the hearts of Americans and something that I believe very strongly in.

MARGOT ADLER: The private sector has gained some new access to the business of delivering the mail. What is the role of private contractors now? What should it be in the future?

JACK POTTER: The postal service had a monopoly on the delivery of mail through what we call the Private Express Statutes. They were relaxed in years past to allow for urgent letters to be delivered by the likes of FedEx and U.P.S. I have no problem with the fact that that change was made. Going forward, I think that we are excited about the fact that a new law allows us to compete now in the package arena, so we will be on, hopefully, more equal footing going forward than we have been in the past.

MARGOT ADLER: The question of privatization is a very contentious issue and people are divided over this. What is your take?

JACK POTTER: I think having a debate on any subject is part of a democracy. And so it's healthy to have a debate. That debate will only help make us better and make us a stronger organization. At the end of the day, we are here because of a law that was written many, many years ago with the founding of the country. They created a post office. And as long as the government feels that it has a role to play in keeping all Americans connected and providing a service that treats everybody equally, as long as that is a priority for this country, we will be here to serve them. Again, having a debate is all part of democracy and it only makes us work that much harder to be that much better so that we serve America well.

MARGOT ADLER: Well, there are many people who say that the postal service is the one branch of government that they absolutely trust, despite all the carping about how much a stamp now costs or an occasional mangled box. You know, I still receive letters from prisoners at a P.O. box I've had for 25 years because of a book I wrote. I guess my larger question is, can the post office become more competitive and still continue to be--to have this kind of social glue that gives us a sense of community that few other government institutions do?

JACK POTTER: The answer is an emphatic yes. We do have an opportunity to become more competitive. But again, it's focused on the package side of the house. We are always competing with ourselves. We are competing with ourselves to get better and provide a higher level of service for America. We are competing with ourselves to make sure that we keep our rates as affordable as possible. And there is a proper balance that has to be found here, and that is always kind of a--there's always a tension around the balance of making sure that we are operating like a business, but operating like a government service. So you strive to do both, but we also want to make sure that we continue to deliver for the American public. Because we are there in this role because the people they vote for, the American public votes for, have the sense that the American public appreciates the postal service, trusts the postal service. And we are very proud of the fact that they do that and we work very hard never, never to lose the trust of Americans. It's vitally important to us.

MARGOT ADLER: Jack Potter is the postmaster general. Thank you so much for talking with me.

JACK POTTER: Thank you very much.

MARGOT ADLER: Coming up on Justice Talking, is the postal service unfairly protected by its monopoly on first class mail, or is that policy key to ensuring that everyone is served?

UNIDENTIFIED MALE: If we introduce some market discipline into the postal market, which they are doing all over the world -- the United States is actually the exception here -- consumers will see very real returns.

UNIDENTIFIED MALE: That would just disrupt the whole purpose of the postal service, which is designed to bind a nation together. That has been its single principle from the start and that has maintained in law, statutory law, to this day.

MARGOT ADLER: Stay with us for a discussion on the future of the postal service.

MARGOT ADLER: This is Justice Talking, where we make the connection between law and American life. I'm Margot Adler. The U.S. mail connects us for the price of a 41 cent stamp, but it hasn't been easy for the postal service to stay solvent. Reforms went into effect this summer, including a rate hike for smaller periodicals. Reporter Francesca Rheannon reports that the increases have provoked alarm among small publishers.

FRANCESCA RHEANNON: At the offices of Commonwealth magazine in New York City, a box containing this month's issue has just come in today's mail. An eager knot of staffers crowds around.

UNIDENTIFIED MALE: It is the latest issue.

UNIDENTIFIED MALE: Hot, hot.

UNIDENTIFIED MALE: Fresh off the presses.

UNIDENTIFIED MALE: You will see we've had to raise the cover price to \$10 an issue because of this.

FRANCESCA RHEANNON: Did he say \$10 an issue? Well, staff say it's really not that bad yet. But *Commonweal*, a progressive Catholic journal that has been in print since 1924, is struggling with new postal rates that have boosted its cost by 15 percent. The higher rates could up the annual subscription by a buck or two from its current price of \$49. That may not seem like a lot, but *Commonweal*'s publisher Tom Baker fears it may be enough to drive subscribers away.

TOM BAKER: It would be nice to think that we could just pass along cost increases like this to our customers, to our readers. But price increases come so thick and fast in the past few years, not just this most recent increase, that we just can't do that and continue to keep the readers that we have. The magazine would just be too expensive.

FRANCESCA RHEANNON: *Commonweal* is one of many smaller publications struggling with the increase. Unlike big glossy magazines that get most of their revenue from advertising, *Commonweal* depends heavily on its 21,000 subscribers. And the big glossies have another advantage: they get a discount for bundling with other magazines and for other cost-saving practices. But that's not always possible, Baker says.

TOM BAKER: When you are only printing 21,000 copies scattered all over the country, there is not a lot of efficiency to gain by mailing with other people. So the cost of us participating in that program wouldn't be covered by the savings we could realize from being in it.

FRANCESCA RHEANNON: *Commonweal* has joined a campaign protesting the new mailing prices. Campaign members represent journals that span the political map from left to right, from the conservative *American Spectator* to the progressive magazine *The Nation*. A spokesman for the campaign says the new rates are grossly unfair to small periodicals, some of which face jumps of up to 30 percent, whereas the bigger and richer magazines are favored by the changes.

JOSH SILVER: The glossy-advertiser, heavy publications like *Vanity Fair*, they actually saw their rates increase just modestly, and for some, they actually decreased.

FRANCESCA RHEANNON: That's Josh Silver. He's the head of *freepress.net*, a media advocacy group coordinating the campaign. Silver is troubled that the regulations were enacted at the behest of Time Warner. Postal regulators approved changes that largely reflected an earlier proposal by the media conglomerate. But Jim O'Brien sees it another way. He is Time Incorporated's vice president of distribution and postal affairs. He says the older rates were lagging behind the actual cost of distributing the mail.

JIM O'BRIEN: Just think about it this way. The rates that we proposed are pay-for-what-you-use. If you do something that incurs \$1 worth of cost to the postal service, you should pay \$1 for that service.

FRANCESCA RHEANNON: But that goes against a long-standing public policy to nurture the media, Free Press' Silver says.

JOSH SILVER: The decision to raise the rates on small and mid-sized magazines flies in the face of 200 years of history in this country. Jefferson and Madison, in founding the New Republic, the United States, had a vigorous debate over media and came out of it by not only being supportive of it philosophically, of magazines and newspapers, but actually having very proactive government subsidies that ensured that printed periodicals could make it into the hands and homes of Americans across the country. It is credited with the dramatic increase in literacy that we saw, that was unprecedented around the world, in the U.S. in the 1800s.

FRANCESCA RHEANNON: Time Inc.'s O'Brien acknowledges that, but he says all magazines need to find ways to be more efficient.

JIM O'BRIEN: We are really not able to do it any better or any differently than magazines with smaller circulation. It is less about the publisher and it's more about who is your dance partner. What printer are you working with, what equipment do they have to help you become more efficient?

FRANCESCA RHEANNON: The smaller publications say they are already operating as efficiently as they can. And Grant Collicho, associate editor of Commonweal, says there is a bigger issue. When magazines from across the political spectrum go under, everyone loses.

GRANT COLLICHO: When they die off, that changes the way the public conversation is had. If we lose some of our conversation partners, I think that's, in the long-term, bad, very, very bad, for the public good.

FRANCESCA RHEANNON: Marketplace efficiency or the marketplace of ideas, that is a question that the stop-the-rate-hike campaign has moved Congress to consider. Democrats have asked for testimony about the new rates. The issue is expected to come to the floor of the House this month. For Justice Talking, I'm Francesca Rheannon.

MARGOT ADLER: The controversy about rates is part of a larger debate about the role of the postal service. How much market competition is good for the U.S. mail system, and what services should we count on from the post office?

Joining me to discuss these questions are Robert Schrum and Christopher Shaw. Robert Schrum is a research fellow at the Lexington Institute, a public policy research organization in Arlington,

Virginia. Christopher Shaw wrote "Preserving the People's Post Office." He was formerly a project director at the Center for Study of Responsive Law. Welcome to Justice Talking.

ROBERT SCHRUM: Thank you.

CHRISTOPHER SHAW: Thanks for having me.

MARGOT ADLER: Two hundred years ago, the United States Postal Service was a monopoly, in part because no one else was capable of providing the same services to the country. But today, there are private carriers, like UPS and FedEx, companies which already help the post office deliver some of its packages. Is it time to end the monopoly on first class mail? Robert?

ROBERT SCHRUM: I absolutely believe so. As it stands, 90 percent of the postal service's volume comes from its first class monopoly. Only 10 percent of its products are considered competitive by statute. And I think that actually does a disservice to consumers, because unlike many other consumer goods like air fare or phone charges or things of that nature, postal rates have continued to go up over time. We just had a rate increase earlier this year from 39 to 41 cents. And so I think if we introduce some market discipline into the postal market, which they are doing all over the world -- the United States is actually the exception here -- consumers will see very real returns, and see a lot more choices in the marketplace that will lower the rates that they pay to have things delivered.

MARGOT ADLER: Christopher, I'm assuming that you take a very different position on this.

CHRISTOPHER SHAW: Yes, I do. I don't think that some people have any choices at all if you revoke the postal monopoly. The way it operates is that those routes that are more expensive to serve, such as rural areas, are subsidized by those routes that are less expensive to serve. And that cross-subsidization principle is what allows everyone to be served uniformly on a universal basis. And if you revoke the postal monopoly, then you would eliminate that cross-subsidization. And you could have a serious impact on the ability for a number of consumers to continue to receive mail and that would just disrupt the whole purpose of the postal service, which is designed to bind the nation together. That has been its single principle from the start and that has maintained in law, statutory law, to this day.

ROBERT SCHRUM: I would actually like to take issue with that, because there has been a great deal of research done at various economic organizations that show that rural routes actually pay for themselves. On average, they don't lose money. And so that cross-subsidization argument just isn't borne out in the postal service's own data. So although there is a discussion to be had about universal service, it's actually a piece of misinformation to say that the city routes, the denser routes, are the ones that actually cross-subsidize the rural ones.

CHRISTOPHER SHAW: Well, this is a matter of dueling studies. Because there are other studies that show that rural routes, those routes that are--places that are designated rural by the Census Bureau, do contribute a disproportionately less amount of funding to the postal service's institutional costs.

MARGOT ADLER: I want to go on. If we look at some European countries where the state has traditionally played a greater role in daily life, government monopolies over the postal service have been loosened, in some cases, even abandoned. For instance, the German post office has been transformed, by most accounts successfully, into a private business. And the Royal Mail, which is still government run, no longer has a monopoly in the United Kingdom. Christopher, what do you say to those European models?

CHRISTOPHER SHAW: Well, they haven't been very good at keeping post offices open. A number of post offices have closed. Postage rates in this country are still very low. And I also don't think—it's kind of an apples-and-oranges comparison here, because those are very small countries. Our country spans an entire continent. Our country, our postal system, delivers much more mail than they do. And we also have a much bigger gulf between rural and urban and between rich and poor. And that is going to impact the level of service that you can provide in a privatized model, because once again, it's going to create a greater disruption of that ability of cross-subsidization.

MARGOT ADLER: I want to ask you, Robert, do you believe in universal service? In other words, the idea that you would pay the same rate to different parts of the country, that the average bloke would pay the same amount as a CEO, no matter how far a letter must go. Do you believe in that?

ROBERT SCHRUM: I think it's a worthwhile concept, so I don't necessarily know what the universal service obligation would take in a liberalized marketplace. But I would say that in other countries that have moved towards market liberalization, in Britain, for example, Royal Mail still has a universal service obligation. It still--people still do receive their mail every day. So I don't think that a privately based system necessitates removing the universal service obligation. We can look in other markets, in other delivery markets and other markets for consumer goods, and people still have equal access to many of those goods and services, regardless of whether or not the government mandates that they do.

MARGOT ADLER: Christopher, I'd like you to weigh in here.

CHRISTOPHER SHAW: Well, in Britain, everyone used to receive mail two times a day; now they receive it once a day. The British government is having to step in and subsidize the continued operation of numerous rural and inner-city post offices. And the liberalization has just begun--the full impact of it has not been felt yet. So once again, it's not a model that has been particularly successful at delivering the mail to higher quality standards in Europe.

MARGOT ADLER: Christopher, you argue that the post office should be run with the interests of the American people in mind, not that of corporate mailers. What is your solution to a post office where first class mail is on the decline, there is ever-greater competition from the Internet, as well as from private carriers?

CHRISTOPHER SHAW: Well, I think the jury is still out on the eventual trend of mail volume. People have been--you know, when the telegraph was invented, that was going to be the end of the post office. Just 25 years ago, fax machines, that was the end of the post office. So I don't

think we should have any radical shift right now based on something that we cannot predict. I mean, it's hard to predict the future.

MARGOT ADLER: Christopher, you have expressed alarm over the new rate changes for magazines and how they will affect smaller publications, like *The Nation*, *The National Review*. You've argued that this move undermines a free press, flies in the face of the mission and even the history of the post office. Tell me more.

CHRISTOPHER SHAW: Well, I mean if you look back to when the postal system was founded, such people as George Washington, James Madison, Alexander Hamilton and Thomas Jefferson, they all said that they wanted the post office to deliver things like, well, what is today *The Nation*. They wanted the post office to deliver these magazines, these newspapers, because it is what allowed us to have a democracy. And what you are seeing is a shift away from this traditional public policy objective towards a more market-based pricing schedule. And that is going to mean that periodicals such as *The Nation* -- which actually has a very large circulation, it is around 150,000, but it's not quite as large enough to qualify for some of these rate cuts -- it's important that these periodicals, they contribute the lion's share of the new ideas that are out there. As you said, it flies in the face of our entire tradition and it's bad for our democracy.

MARGOT ADLER: Robert, what do you say to that?

ROBERT SCHRUM: Well, I think a vibrant free press is incredibly important to the solvency of our democracy. But technology has filled in most of those areas that Christopher is pointing to. Look at just the growth of the Internet blogs, online magazines. Many of those publications that are complaining about the rate increase are actually experiencing much greater growth online than they ever did in their magazine. So I think that that's one way that we can address the shortfall, perhaps, that smaller publications face when their rates go up. But at the same time, the way that this rate case happened, these small publications have been receiving a massive subsidy from the postal service for the better part of the last 30 years. And so what the Postal Regulatory Commission did when it evaluated this new rate case was it brought some fairness to the system such that many of the larger publications received what appeared to be disproportionate discounts, but at the same time, they devote an intense amount of resources to pre-sorting, packaging things correctly, delivering things to the post office in a way that it requires absolutely--relatively little effort for U.S.P.S. to deliver them, while smaller publications don't necessarily have those economies of scale to appeal to. But there are methods in which they can. They can bind together. A *National Review* and a *Nation* can get together and form their own work-sharing agreement before delivering things to the postal service.

CHRISTOPHER SHAW: The postal service has invested a lot of money in its own processing equipment, which has made this pre-sorting less valuable to it, yet the discounts remain in place. A former postal service chief financial officer has even remarked that this is a large part of any financial problems that the postal service may be experiencing.

MARGOT ADLER: I'd like to ask both of you to look at the mission statement of the postal service, which is stated in the U.S. Code. It says that its basic function is to provide postal services to bind the nation together through the personal education, literary and business

correspondence of the people. Do you think that this mission is vital or outdated? What do you think the mission should be of the post office? Christopher first.

CHRISTOPHER SHAW: I think that you are absolutely right. The postal service is a vital part of our society, it's part of the fabric of our nation, it binds us all together. It brings us together as a people; it has always done that. It unifies us. It retains that role as an institution that is central to our lives. And that's the way it has always been and that is the way it should continue to be. A lot of people love the postal service for a reason and it has been the most trusted branch of government for many, many years. And it shows the ability of our government to serve its people and it does that on a daily basis.

MARGOT ADLER: Robert, vital or outdated, the mission of the post office?

ROBERT SCHRUM: I think the postal service will always be relevant. I think calling it vital or outdated might not--those might be too extreme words to use here. But as we've seen over the past 30 years, volume in mail actually goes up as economic growth goes up. And so I think that the postal service will continue to fulfill some sort of vital mission in our society. But the question is how much of our government's resources are going to be devoted to allowing a government agency to operate in some sort of manner that puts both consumers' rights at risk, and those of the taxpayer as well. For example, right now, the postal service has a direct line of credit to the Treasury. So if the postal service ever were to have some sort of downfall in its revenues or some sort of crisis related to pension or healthcare benefits, there is the prospect of a taxpayer bailout. And are we going to allow a government agency to continue to operate in that way that does have some risk of having substantial consequences for everyone else out there?

MARGOT ADLER: Christopher Shaw wrote "Preserving the People's Post Office." He was formerly a project director at the Center for Study of Responsive Law. Robert Schrum is a research fellow at the Lexington Institute, a public policy research organization in Arlington, Virginia.

MARGOT ADLER: Coming up on Justice Talking: the evils and virtues of junk mail.

UNIDENTIFIED MALE: I had to shred everything that had any kind of personal information on it. It was piling up on our tables. We could sort of see the environmental impact just from our own personal experience with it.

UNIDENTIFIED MALE: When you do the math and add the numbers up, probably the most cost-efficient form of advertising we do, the highest return for the amount of money we spend, is with the direct mail pieces.

MARGOT ADLER: Stay with us.

MARGOT ADLER: This is Justice Talking, the public radio show about law and American life. I'm Margot Adler. Instead of letters and bills, the mail increasingly brings advertisements. But one person's favorite catalogue is another person's junk mail. And today, landfills and recycling centers are filled with ads that come in the mail. At Philadelphia's Blue Mountain Recycling, Vice President Bob Anderson says about half of the waste that comes here each month consists of newspapers and junk mail. Last month, that meant about 6,000 pounds of unwanted mail and newspapers poured off of this conveyor belt to be turned into recycled paper.

BOB ANDERSON: So if you look out over the sea of newsprint, you will see all of the junk mail that is incorporated throughout the residential fiber stream. I mean, if we walk a little closer, you will see large chunks coming in at specific times. It doesn't matter whether it's a newspaper or whether it's somebody's credit card solicitation, it's all residential fiber to us; we don't really differentiate. When I hear these arguments of whether it's a plastic water bottle or whether it's junk mail or some sort of residential fiber, at the end of the day, if that material is being recycled into another reusable resource, then what is the real impact of that?

MARGOT ADLER: Most junk mail ends up in one mountain of waste or another. This year, direct-marketing researchers estimate that about 95 percent gets tossed. But that number was even higher just a few years ago. Businesses are getting better at sending their promotions to the people who want them. Retailers like Aaron's, a furniture and electronics franchise, say it's worth it to send out 100,000 mailings a month. Mark Rudnick is vice president of marketing for a division of Aaron's and he came to our interview with a sample.

MARK RUDNICK: Our latest piece that I have in my hand now is actually, I call it a 3-D postcard, only you don't need glasses to see it.

MARGOT ADLER: So it's sort of like a hologram or is it--

MARK RUDNICK: Yeah, they call it 2-D, but to me, it's a hologram. You don't need glasses to see it, but it's a three, a two-dimensional. We have a mask called Lucky Dog: everyone is a lucky dog at Aaron's because you get the guaranteed lowest price. Everyone is pre-approved, there is never a credit check, so everyone is a lucky dog at Aaron's. It has a picture of Lucky Dog virtually jumping out at you announcing another grand opening of an Aaron's store in your area.

MARGOT ADLER: So when you make this mailing, this particular new mailing with the 2-D or a 3-D or whatever it is and your picture of Lucky Dog, what kind of a difference is it going to make to your business?

MARK RUDNICK: Well again, we measure everything we do, we put a promo code on every mailing that we do. By putting a piece like this 2-D piece out -- and we just started using this -- we have initially--we know if the response rate has gone up. But if we can double the response rate from our normal postcard just because readership on it increases because it's so interesting and so different, if someone receives it. Instead of putting it aside, they read it, they look at it, they turn it over, they read the offer and then they respond to it. If we get a much higher response

rate, then that, of course, turns into new customers, more new customers. And that's a good thing, always.

MARGOT ADLER: Businesses say that if they get a two percent return on their mailings, they've paid for it. And sometimes I gather you have said that the return for one of your stores can peak as high as 7, 8, 9 percent. Now still that means that a huge proportion does get tossed by most people. Does it bother you that so much of the mail you send gets thrown away?

MARK RUDNICK: You certainly know a lot about our company, and I am impressed with your knowledge, Margot. That's terrific, first of all. But if we get one- or two-percent response from any direct mail piece, it definitely pays for itself. It is definitely worth the cost of the mailing. We know that there is waste in advertising, we know that we run commercials on television, people are going to get a drink out of the refrigerator and maybe don't see it. We know that there is some spillage or it's not 100-percent watched. We know the same thing is true when we send out a four-page color circular through the newspaper. We know that some people flip through them and put them aside and don't use them. The same is true with the postcard. But when you do the math and add the numbers up, probably the most cost-efficient form of advertising we do, the highest return for the amount of money we spend is with the direct mail pieces. I'd love for there to be no waste. I mean, we would like to have 100 percent that bring back the postcards to the store, but they probably don't.

MARGOT ADLER: You could, I guess, put "please recycle" on the face of your little advertisements.

MARK RUDNICK: No, that's true. And we--again, I guess looking at it from that standpoint, from an eco-friendly standpoint, that a lot of the--again, because we actually send out, we mail a lot less paper with the direct mail than we would if we would just continue to mail more four-page color circulars, we mail a lot less paper. We also do a lot of offers in these postcards I think that direct people to our website, maybe keeps them from driving and using all of that gasoline, if we are talking about eco-friendly mailings and things like that.

MARGOT ADLER: Is direct mail crucial at this point to your business?

MARK RUDNICK: Absolutely. I think it's as important a piece of the marketing strategy as anything we do. I think they are all important, but direct mail has really enabled us to target specific customer groups. We know for a fact--I mean everyone knows in business that the people who have been in your store and done business with you or are currently doing business with you are much more likely to buy something else from you. The fact that we are able to target those people and continue to make offers to them and send them offers for products that they haven't purchased from us or that they might need because of prior purchases is, I think, is a huge advantage in business.

MARGOT ADLER: Mark Rudnick is the vice president of marketing for Aaron's Sales and Lease Ownership. Thanks so much for joining me.

MARK RUDNICK: Thank you, Margot. I enjoyed it.

MARGOT ADLER: The advantages of direct mail advertising may be obvious to businesses, but Sander DeVries has made it his job to help people stop this mail. DeVries and his brothers have started a nonprofit company in Michigan called 41pounds, a reference to the average amount of advertising mail each person receives a year.

Sander, I'm calling it advertising, but what do you call it?

SANDER DEVRIES: We usually call it junk mail.

MARGOT ADLER: And why is it junk?

SANDER DEVRIES: Well, a lot of it is unwanted. Most of it is unwanted, to be honest. We receive lots of mailings every day and when you look through your mailbox, most of it is unnecessary and not even asked for.

MARGOT ADLER: And why does it bother you?

SANDER DEVRIES: Well, it started bothering me about two years ago. My brothers and I started doing a little research to figure out how we can curb our own junk mail at our own houses. It was just an annoyance. I had to shred everything that had any kind of personal information on it. It was piling up on our tables. You know, we could sort of see the environmental impact just from our own personal experience with it.

MARGOT ADLER: So was it the fact that you felt your privacy was being violated, was it the commercialism, was it the environmental impact, was it just the nuisance of it? What was the main problem?

SANDER DEVRIES: It started off being the nuisance of it. You know, just looking at the mailbox going this isn't even addressed to me, none of this is even to me. But once it started piling up and once we started collecting it, to see what we were receiving and where we could stop it, it really became obvious how environmentally disastrous it can be. Doing a lot of research on the junk mail industry, we found out a lot more about how much mail people actually get and how much mail they actually ask for.

MARGOT ADLER: And how much do they get?

SANDER DEVRIES: Well, the name of our company is 41pounds.org and people get about 41 pounds of junk mail each year. And that is per adult, not per household.

MARGOT ADLER: Let's talk a little bit about the impact on the environment. Is it really a hazard?

SANDER DEVRIES: I believe so. You know, we named our company 41pounds because we wanted a number that people could sort of grasp, something that they could physically see. But about 44 percent of that mail goes into the trash unopened. So people say that recycling it is fine and you can do your part that way, and that's great. But we feel like people should have a choice to stop it. We feel like we can give people an option at 41pounds to get rid of the things that they don't want and not have to recycle it and not have to deal with the nuisance that it is.

MARGOT ADLER: Of the 6,000 customers that you so far have, what is the main reason that they tell you that they want to be part of your organization?

SANDER DEVRIES: Well, a lot of people really do it for the environmental impact and they want to sort of do their part for the environment. We partner with many different nonprofit organizations. When someone signs up for our organization, they pay the \$41 and then we donate \$15 from each subscription to different nonprofits. A lot of people want to reduce their carbon footprint, a lot of people want to do the little things that they feel that they can do that will help the environment. I think that is one of the main causes.

MARGOT ADLER: I was reading your literature and you say that my name or anybody's name is worth three to 20 cents each time it is sold. Really?

SANDER DEVRIES: That is absolutely true. Every time you move and you fill out a change of address form, the post office will sell your name to over 20 organizations. They say that over 40 million people do this every year. So I mean, it's a large bit of profit, and our question is why should we not have the choice? Why shouldn't it be the other way around, where we opt in? Why shouldn't we have the choice to get these publications rather than us getting forced into automatically receiving mail from all of these companies we know nothing about?

MARGOT ADLER: As junk mail becomes more and more targeted to a particular demographic, is that better or worse?

SANDER DEVRIES: It does make it better. They are finding the right people. But people should still have the option to remove themselves from these lists and have the option to stop mailings from all of these organizations.

MARGOT ADLER: Businesses have been using mass mailings more and more as a marketing strategy. And even if a tiny fraction results in sales, it generates a lot of money for them. A lot of people say that if two percent--if there is a two-percent return, they have already made their money back. So isn't this kind of direct mail important to our economy?

SANDER DEVRIES: Direct mail is important to a lot of different organizations. We find that one percent or two percent to be an unnecessary way to meet your fiscal goals. We find there are other mediums, especially email, that you can really get the name out, get your name out, get your company out and really produce some business for your company, that the thousands of pounds of wasted mail that people are receiving is unnecessary.

MARGOT ADLER: Sander DeVries is one of the founders of 41pounds, a nonprofit company based in Michigan that helps people get off junk mail. Thank you so much for coming on our show.

SANDER DEVRIES: Thank you for having me.

MARGOT ADLER: Some people don't have the luxury of opening their mailbox to find a stack of junk mail. Last year, I reported on the general delivery window in the New York City post office for NPR. For some of the 10,000 people who use it each year, it's a handy way to get mail when you are traveling. But most of the people who go to that window are homeless, and for them, general delivery service is a lifeline, connecting them to more than just the mail. The main building of the New York City Post Office has rising white steps, lofty ceilings and Corinthian columns. But walk a block west to Ninth Avenue and there, at the back of the building, is a door to a small, somewhat shabby room with barred windows. Behind those windows, postal clerks Marilyn Rogers and Sabrine Mohammed dole out the mail six mornings a week. There's a steady stream of customers. And on check days, like the first of the month, the line can stretch out the door.

Miss Rogers asks each person to show some identification, but people forget.

MARILYN ROGERS: I need to see your ID, Mr. Wiley. Did you apply for food stamps?

MARGOT ADLER: Rogers dispenses advice as well as the mail, and seems to know everyone's name, unless they are new. When you look around her office, it seems an impossible task. There are thousands of pieces of mail; there are a dozen boxes just for the Bs; and there is one whole shelf of cubbyholes for common names like Jackson or Rogers or Hernandez or Williams.

MARILYN ROGERS: Everything gets a date. We keep it for 10 days, checks for 30. If they are in the hospital or if they have to go to a program or something, they will ask us--we ask them how long are you going to be away.

UNIDENTIFIED FEMALE: You will accommodate?

MARILYN ROGERS: Yes.

MARGOT ADLER: In the dingy room on the other side of the window, the service is very appreciated. Albert Heitzer, a trim 66-year-old wearing a yarmulke, says he comes here four or five times a week.

ALBERT HEITZER: I'm not homeless now. I was in a shelter called Camp LaGuardia in upstate New York. I was lucky enough to find housing in Brooklyn. I live with a roommate and I'm on public assistance. She's wonderful. Miss Rogers and Miss Mohammed, they are two wonderful people. They understand and they are just good people, that's all.

MARGOT ADLER: What kind of mail do you get?

ALBERT HEITZER: I get a lot of mail from--I've had a girlfriend in Florida for the last 22 years. She writes me almost every day, so I come pick it up. You know, it keeps me hopeful.

MARGOT ADLER: Nearby, Kera Williams, James Sterling and Jan Goldstein talk together. All say they are homeless. Goldstein says he sleeps on the train. Sterling picks up a letter from the Veterans Administration. The thing about Rogers and Mohammed they all say is they treat you like regular people.

UNIDENTIFIED MALE: They are very nice, I like them a whole lot.

UNIDENTIFIED MALE: They get to know people and after awhile they know you by face and by name.

UNIDENTIFIED FEMALE: They have a lot of respect...

UNIDENTIFIED MALE: Yes.

UNIDENTIFIED FEMALE: ...for the clients.

UNIDENTIFIED FEMALE: They respect people.

UNIDENTIFIED FEMALE: Yes, they respect them a lot.

MARGOT ADLER: How often do you come here?

UNIDENTIFIED FEMALE: Like six times a month.

MARGOT ADLER: Right.

UNIDENTIFIED MALE: I get my mail once a month over here.

MARGOT ADLER: And what kind of mail do you get?

UNIDENTIFIED MALE: Junk.

MARGOT ADLER: Junk?

UNIDENTIFIED MALE: Yeah.

MARGOT ADLER: Personal letters?

UNIDENTIFIED MALE: Personal letters sometimes.

UNIDENTIFIED FEMALE: Personal letters, junk mail, no checks.

UNIDENTIFIED MALE: Too bad.

UNIDENTIFIED FEMALE: They don't want to give me no money, but it's all right.

MARGOT ADLER: With 10,000 people, you wonder how Rogers, who has run this office for eight years, knows who everyone is. After all there must be many William Jacksons, not to mention Jose Ortegas and Tom Smiths.

MARILYN ROGERS: What we usually do is we say look, if you have a middle initial or a middle name, tell whoever is writing to you or tell your caseworker, put your middle initial in there. See, there are two Terry Lees.

UNIDENTIFIED MALE: No mail?

MARILYN ROGERS: No mail today.

MARGOT ADLER: It sounds to me like you end up being a counselor, a therapist.

MARILYN ROGERS: When I first came here, I didn't understand the system. But after awhile, then people start calling you mama because you look out for them.

MARGOT ADLER: Marilyn Rogers says it was her partner, Sabine Mohammed, who reminded her of a deep truth.

MARILYN ROGERS: We're just a couple of paychecks away from being on the other side of that window. You know, when you live in New York--New York is a hard town. Anything can happen to you. You have to treat everyone the same way you want to be treated. You have to remember that these people are human. I've talked to them. I've listened to some of their stories. We all have stories of our own. Sometimes you are going through something and all you want is someone to speak to you as if you were human.

MARGOT ADLER: And to give you the gift, not only of an address, but a little of the warmth of home. You can learn more about the postal service and today's guests on our website, justicetalking.org.

While you are there, you can check out our blog, where many of the nation's leading commentators give their view on law and American life. Thanks for listening. I hope you will tune in next week. I'm Margot Adler.
