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Greeting Card Association Urges Congressional Action on Comprehensive Postal Reform to Ensure Affordable Universal 6-Day Mail Service to Nation

DENVER, CO (March 30, 2021) – The Greeting Card Association (GCA), whose members depends on the US Postal Service as an essential industry partner to deliver more than half of greeting cards purchased by Americans, is pleased with the renewed focus of the Postmaster General, the US Congress, and Americans as a whole in the health of the Postal Service. GCA thus urges Congress to enact the comprehensive legislative reforms referenced in the recently released USPS 10-year operational plan “Delivering for America,” but also recommends additional provisions beyond the \$58 billion package advocated by Postmaster General Louis DeJoy and the Board of Governors. While the resolution of the unsustainable pre-funding requirement for retiree health expenses and full integration of USPS retirees into Medicare are commonsense reforms included in the plan, legislation is also needed to ensure that service quality is measured, and the USPS held accountable for its performance. In addition, the impact of any legislation must be factored into the rate-setting authority granted to the USPS to raise prices above the Consumer Price Index.

Specifically, GCA applauds the USPS for committing to provide 6- and 7-day delivery for mail and packages, but believes the time has come to make permanent the 6-day delivery requirement for traditional mail, including all personal correspondence, as has been approved annually by Congress since 1983. Provisions should also be included to ensure that the USPS fulfills its service standard obligations and is held accountable for any disruptions that prevent it from meeting the standard. It should also ensure that the USPS provides fair and equitable treatment for traditional Market Dominant products and packages in the event of future service disruptions. This is especially important given that the USPS seeks to lengthen the delivery time for some First-Class Mail.

It is also vital that the scope of the rate-setting power given to USPS management be adjusted to account for the impact of reforms that would reduce its expenses by nearly \$60 billion in the next ten years. The rate-setting authority recently finalized by the Postal Regulatory Commission does not factor in either the projected impact of this legislation or the recent \$10 billion grant for COVID relief enacted into law at the end of 2020.

GCA President, George White, notes “Citizen mailers just endured the largest stamp price increase in history in 2019 with the nickel increase in the price of regular First Class mail stamp.” This increase represented a 10-percent price hike in an environment when the price “cap” was less than 2-percent. That increase had a significant negative impact on the

number of greeting cards in the mail. White continues, "Greeting cards and other personal correspondence are the most valued component of the mail stream and maintain the interest of citizens in checking their mailbox every day. The USPS therefore needs to do all it can to encourage such mail, and at least not actively discourage it with such rate increases if legislation providing a significant, beneficial financial impact is approved."

GCA stands ready to work with leaders in Congress and USPS management to ensure the enactment of vitally needed comprehensive postal reform legislation that provides financial stability and accountability for the USPS at the earliest possible date.

About the Greeting Card Association:

Founded in 1941, The Greeting Card Association (GCA) is the non-profit U.S. trade association serving the greeting card and social expressions industry. GCA represents nearly 200 American and international publishers and industry partners by promoting the tradition of sending greeting cards, helping members grow their businesses, recognizing creativity, and serving the industry and citizen mailer as a voice for media, leadership, and advocacy on industry issues.

www.greetingcard.org