



# NEWS

## AMERICANS FOR TAX REFORM

1920 L Street, NW • Suite 200 • Washington, DC 20036  
202.785.0266 • Fax 202.785.0261

WWW.ATR.ORG

FOR IMMEDIATE RELEASE

CONTACT: Jonathan Collegio  
Paul Prosocki  
202-785-0266

2 APRIL 2003

## Hallelujah! The Post Office Reports Profits!

*The U.S. Postal Service finishes first half of FY 2003 in the black. But it would always do that if it stuck to its job of delivering the mail and not bludgeoning in on private-sector business.*

WASHINGTON – It was 230 years in the making.

Yesterday, the U.S. Postal Service (USPS) reported that it finished the first half of its fiscal year \$1.65 billion in the black – not the first time it has occurred, but still a statistical aberration of sorts.

The reason is not Enron-style accounting, as some may suppose. Chief Financial Officer Richard Strasser reported that mail volume is down, but USPS has been able to cut costs and increase productivity.

“This is an amazing development that has the support of taxpayers all across America,” said taxpayer advocate Grover Norquist, who heads Americans for Tax Reform (ATR) in Washington. “The Post Office made these gains by following a private sector business model – and that means cutting costs. The private sector could and would gladly do the work of the USPS, but the post office’s monopoly status keeps business out,” he continued.

For the fiscal year that started in September, revenue for the USPS so far is \$32.8 billion, while expenses have totaled \$31.1 billion, leaving the net income of \$1.7 billion. Over the same period last year, the USPS lost \$195 million.

“When the Post Office acts like it would have to in a competitive private sector, it can land in the black. The problem is that it rarely acts like a competitive business,” continued Norquist. “First off, the Service sells all kinds of goods and accessories that it actually loses money on, and that’s the first type of thing a private company would axe. This kind of thinking needs to be brought to USPS, but Strasser appears to be heading in the right direction,” he continued.

Regardless of its profits, the USPS expects net losses over the rest of the fiscal year.

*Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases. For more information or to arrange an interview please contact Jonathan Collegio at (202) 785-0266 or by email at [jcollegio@atr.org](mailto:jcollegio@atr.org).*