



Breaking News:
Postal Service May Shut Down by the End of This Year
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Just days after the initial strong upward trend of the stock market, confidence in the American system may once again be shattered. Earlier today, Postmaster General John Potter told congress that the U.S. Postal Service will run out of money if they do not receive congressional aid. Potter stated that he is trying to determine which bills will get paid and which ones will not. It is now evidenced that not only is the private sector destroyed by this financial crisis, but government programs may also be shutting down.

During this time, at least until the post office can recover, the Postmaster is looking to decrease mail delivery to five days per week and possibly reduce other costs. Potter states that they are "facing losses of historic proportion. [The] situation is critical." The postal system lost a significant amount of money in 2008, and is likely facing much larger losses this year if the situation is not turned around. It may mean the end of the nationalized postal system, and privatization of the entire system, as well as the loss of thousands of government jobs. It is likely that the congressional subcommittee will do everything in their power to keep the system running as it currently is.

Economists predict that the drop was due to less commercial mail, as most mail is now being sent electronically through the internet. It was likely just a matter of time before the post office would begin losing money at an astronomical rate. With fuel prices increased in early 2008, it became more and more expensive to deliver the mail. Banks and financial institutions who have used mail in the past to deliver financial information like monthly statements have slowly been cutting back on snail mail and now most of this information is delivered online.

With rising costs of business operation, and no taxpayer subsidy to help run the USPS, the system was eventually going to collapse. Corporations are cutting back on sending mail to reduce their costs due to the economic situation, and the postal service is now recording that loss. Other, private postal services like UPS and FedEx, and smaller ones like DHL, are now at par

with the prices of the USPS, and with a higher rate of delivery, people and corporations are turning to those companies to provide mail delivery.

It is highly unlikely that congress will let the postal service reduce mail delivery from six days per week to five, and therefore most Americans will not notice a change in their mail delivery. However, this may mean the use of taxpayer money to subsidize a government organization that hasn't been paid for by taxpayers in over sixty years.

This Press Release was written by Brent Brien, CEO of Brien Private Finance LLC.

<http://www.BrienPrivateFinance.com>