

AMERICAN BUSINESS MEDIA

The Association of Business Media Companies

AMERICAN BUSINESS MEDIA LAUDS POSTAL REFORM PROPOSALS

The trade association's seven-year fight on Capitol Hill results in multiple victories for the mailing community

WASHINGTON, July 23, 2003—The Postal Service could finally have the ability to control costs by trimming its bloated infrastructure and workforce. This has been the most important goal of American Business Media, the trade association for b-to-b magazine publishers, in its seven-year fight for postal reform.

American Business Media was among the earliest advocates of a Presidential Commission to reform the USPS. As widely reported, a Commission was appointed in December 2002, and its report will be issued by July 31. The report will include proposals for a Postal Network Optimization Commission to recommend facility closings, as well as proposals to develop an appropriately-sized workforce.

It will also include other proposals that American Business Media strongly lobbied for, such as:

- o continuation of letter mail and mailbox monopolies;
- o rejection of USPS privatization;
- o improvement in the arbitration process;
- o a “corporate-style” board of directors selected according to qualifications instead of politics; and
- o elimination of salary caps for postal executives.

“We applaud the Commission’s recommendations, and we are gratified to see that after careful and thorough research and much discussion, they have come to many of the same conclusions that we came to seven years ago,” said Gordon Hughes, president and CEO of American Business Media. “The true winners in this case are not only American Business Media’s member companies, but all postal customers.”

With respect to rate-setting mechanics, the Commission’s recommendations are likely to be provocative and thoughtful. We look forward to working out those issues with Congress.

American Business Media, based in New York, has over 220 member companies representing approximately 1,300 periodicals, which rely almost exclusively on the USPS for delivery. American Business Media members, in total, mail close to one billion magazines annually, spending about \$300 million in Periodicals postage.

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