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A Postal *Vision* for the Americas

PostalVision²⁰²⁰

What do we *see* happening – today ?

- People communicating in new ways
- Letter volume declining
- Excess capacity growing
- Red ink flowing
- The mail keeps chugging down the track



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What do we see happening – today ?

- People communicating in new ways
- Letter volume declining
- Excess capacity increasing
- Red ink flowing
- The mail keeps chugging down the track
- ***.....Is there light at the end of the tunnel??***

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The *Digital Express* !



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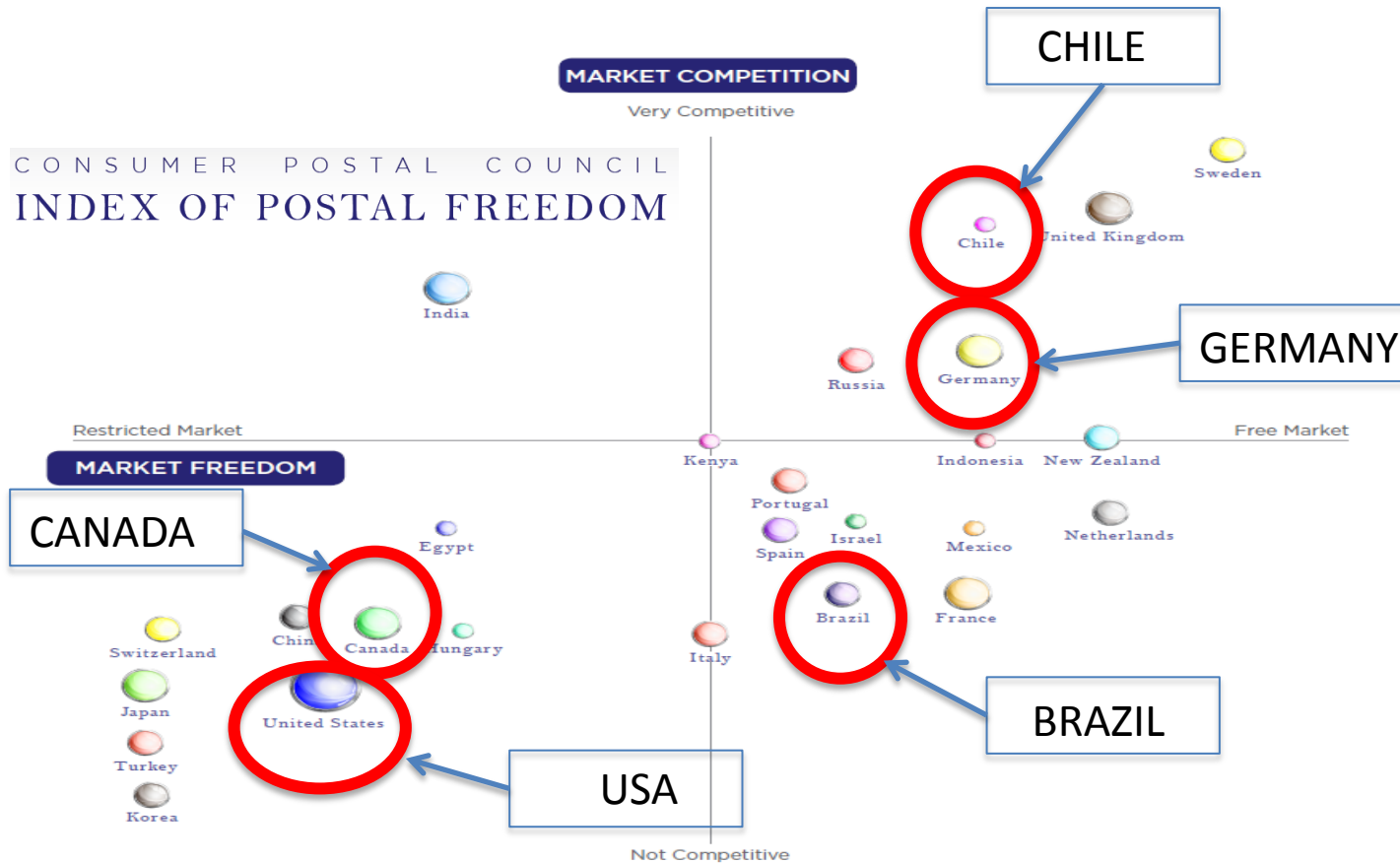
Can we see a way to avoid it?



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It depends on which train you're on



Varied perspectives and paths forward

- **Deutsche Post DHL**
 - Mostly Private
 - Aggressive acquisitions
 - Global logistics competitor
 - Digital innovator
- **Correios /ECT**
 - “Bank of Services”
 - 1700 Distribution Franchisees
 - Banco Bradesco
- **Correos de Chile**
 - Charges recipients
 - Failed deal w/ TNT
 - Money transfers
- **Canada Post**
 - Purolator Courier
 - Retail Franchises
 - Borderfree
 - EPost

What does look like for USPS?

- Business careening towards disaster
 - First Class Mail declining at 7%
 - Std Mail and parcels won't save it
 - Losses are staggering and ongoing
- Not many immediate choices
 - Mail must go through
 - And the business must be profitable
 - Can't diversify or even cut back



There is little wiggle room



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An unavoidable “train-wreck”

- Flowing red ink
- Finger pointing
- Political posturing
- Reduced service levels
- Job losses



But a brighter day will come



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Let's imagine the future

- Envision the postal ecosystem in 2020
- What needs will define “postal” ?
- Whose needs will they be ?
- Who will meet them ?
- What role will government play ?
- What role will the private sector play ?



View it as a platform



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An underlying infrastructure

- “Posts and post roads”
- “Binds the nation together”
- Universal access
- On and off-ramps
- Standards
- Trusted identity & privacy
- Enforced by federal law



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Enables others to provide services

- Worksharing
- Contracted transportation
- Outsourcing
- Collaboration
- Entrepreneurial product innovation
- Transfer of risk.....and profit



"Postopoly" - The Postal Platform

Binding the Nation Together

Air Transportation

Presort and dropship



Contract Delivery

Official Change of Address

Address standards

Broadband

Parcel Select



eGov't

Law enforcement



Postage payment

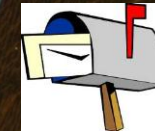


USO

Letters catalogs parcels



ID - key Security



Residential delivery

"Posts and Post Roads"



Village P.O.



Collection

OFFRAMP

Foreign Posts



eMailbox



See them as postal “apps”



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The *PostalVision* 2020 Initiative

“it’s all about the platform” and the digital and physical platforms of the USPS need to be more closely linked”

individual products don't always create major success. Sometimes you need a platform strategy, such as Apple has created. The iPad is a platform and it does what the Kindle does.....It's more than a device; it is a platform that displaced its competitors and on which developers create other products, called "apps". However, this sandbox only works and the platform only produces innovations if many others are welcomed into it, as with Twitter. You need



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Mail & Express Review



PostalVision 2020/2.0 Conference

- “Platform Possibilities”
 - Expanded two-day gathering
 - June 12 & 13 – Washington, DC
 - L’Enfant Plaza Hotel – Adjacent to USPS headquarters
 - Keynote address by USPS PMG, Pat Donahoe
 - High-profile headliners from Technology, eCommerce, Logistics, Academia, Foreign Posts, Consultancy
 - Speakers, panels and conversational working sessions



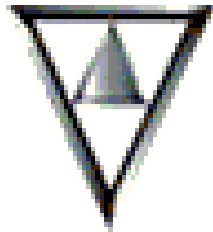
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World Economic Forum

Annual Meeting – Davos 2012

It is hubris to frame this transition as a global “management” problem of integrating people, systems and technologies. It is an indisputable leadership challenge that ultimately requires **new models, bold ideas and personal courage** to ensure that this century improves the human condition rather than capping its potential. Thus, the Annual Meeting 2012 will convene under the theme, The Great Transformation: Shaping New Models, whereby leaders return to their core purpose of **defining what the future should look like, aligning stakeholders around that vision and inspiring their institutions to realize that vision.**

Thank you!



World Mail & Express

Americas Conference & Exhibition



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