



# U.S. POSTAL REFORM

As a leading packaging producer, International Paper supports companies, large and small, that rely on the U.S. Postal Service (USPS) as a supply chain partner to send products to customers. **Nearly 600 million International Paper boxes traveled through USPS from our customers last year and we supplied more than 12 million boxes to USPS for their operations.** We are proud to support e-commerce retailers that use our packaging to ship groceries, pet supplies and other essential products to your door. The overall mailing industry supports 7.3 million American jobs and adds \$1.6 trillion to the U.S. economy in sales revenue. As a leading supplier to USPS, ensuring an affordable and reliable USPS is critical to supply chain efficiency.



## 600 Million

boxes made by International Paper are delivered by the USPS annually



## #54

International Paper is the number 54 supplier by spend for the U.S. Postal Service



## 1,000 lbs

Some IP boxes can carry more than 1,000 pounds of mail or packages

## IP SUPPORTS THE POSTAL SERVICE REFORM ACT

International Paper strongly supports the Postal Service Reform Act because our customers rely on a sustainable and affordable U.S. Postal Service. The proposed legislation will strengthen the Postal Service's balance sheet and position them well to serve customers for the long term.

IP is proud to be a large employer in rural areas across the country. We support this legislation because it enables the USPS to provide reliable delivery services for businesses and communities in rural areas where residents face greater challenges accessing essential retail items.

### We urge Congress to pass the Postal Service Reform Act without further amendments.

There are three provisions in the House (H.R. 3076) and Senate (S. 1720) bills that are fundamental to our support.

- **Section 202: Six-Day Delivery and Integrated Delivery Network:** USPS has maintained 6-day delivery for decades and Congress has continuously reaffirmed this mandate through the appropriations process. This statute codifies that USPS should continue to deliver letter mail and packages together. Importantly, USPS is supportive of 6-day delivery as a pillar of its 10-year business plan because it allows enhanced accessibility for mailers and consumers.
- **Section 203: Cost Attribution Review:** We urge Congress to maintain this section as currently drafted to provide the fairest assessment of current package costing principles by the best informed agency on the topic, the Postal Regulatory Commission (PRC). In the 2006 Postal Accountability and Enhancement Act, Congress correctly set out in statute that mail and packages must be priced to cover the costs caused by that product. These principles have been repeatedly upheld by the PRC and the courts, as recently as a U.S. Supreme Court decision in 2019.
- **Balance sheet improvements:** We support the long overdue repeal of the retiree healthcare prefunding mandate, which will strengthen USPS' balance sheet to help build a strong economic foundation.