# US Postal Service: Delivering the goods

**BY JOHN M. MCHUGH, OPINION CONTRIBUTOR — 06/24/19 01:30 PM EDT**[**87**](https://thehill.com/opinion/technology/449987-us-postal-service-delivering-the-goods#bottom-story-socials)

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Whether you’re buying from the website of a brick and mortar store or a direct-to-consumer company, or receiving prescription drugs or subscription boxes, there’s no question that e-commerce is changing the retail landscape. Last year, e-commerce sales [totaled](https://www.digitalcommerce360.com/article/us-ecommerce-sales/) more than $500 billion dollars, and McKinsey [predicts](https://www.mckinsey.com/industries/travel-transport-and-logistics/our-insights/the-endgame-for-postal-networks-how-to-win-in-the-age-of-e-commerce) that e-commerce will be a $9 trillion retail opportunity by 2025. Almost [15 percent of total retail sales](https://www.digitalcommerce360.com/article/us-ecommerce-sales/) were online last year, and e-commerce continues to grow at a rate of nearly 15 percent per year.

The untold story of the success of e-commerce is the delivery network that connects buyers and sellers and gets the products from a customer’s online shopping cart to their front door, often within just one or two days. Affordable and universal package delivery service is a critical enabler of the growth of the e-commerce industry, and consumers and businesses of all sizes engaging in online retail rely on universal, affordable package delivery services every day of the week. Frequent and reliable delivery is an important service offering that no one thinks about until it’s gone.

The package delivery market is competitive and dynamic, and responsive to the needs and demands of customers and businesses. The market is multi-carrier, with some companies doing end-to-end delivery and some companies specializing in last mile delivery. Having multiple companies and carriers in the market provides customers with choices when they are shopping online and evaluating shipping options.

It’s important to keep in mind that e-commerce is not just about the big retailers. The growth of e-commerce and online sales platforms have radically extended the reach of small and medium sized businesses across America. This is especially true in remote and rural areas, where economic growth and job growth is being stimulated by the ability of small and medium-sized businesses to leverage online marketplaces to reach new customer bases.

Package delivery companies, including the United States Postal Service, play an incredibly important role in connecting buyers to sellers. The Postal Service has an unrivaled delivery network, which is often used by private carriers for last mile delivery, and provides affordable and reliable package delivery service to 157 million delivery points across the country, including to remote and rural areas.

Critical to the success of e-commerce is preserving fair competition in the package delivery business. Contrary to some statements you might have heard in the news or seen on Twitter, the existing system that Congress put in place is working to ensure fair competition in the market.

I was the House Postal Subcommittee Chair when the last postal reform bill was enacted in 2006, and fair competition in the package delivery business is something that we got right in that bill. The Postal Service has been delivering packages across the country since 1913, when Congress mandated that the Postal Service enter the parcel delivery market to ensure delivery to rural areas where the private express carriers did not deliver or charged exorbitant prices to do so.

In 2006, Congress reaffirmed that the Postal Service should be in the package delivery business, and the postal reform legislation that passed created flexibility for the Postal Service to set market-based prices for package deliveries. The Postal Regulatory Commission is an independent federal regulator that oversees the Postal Service and annually assesses compliance with these statutory requirements. The courts, including the Supreme Court just last month, have consistently upheld the PRC’s costing methodologies used for package prices.

So as Congress again considers postal reform, policymakers should make sure that any legislation does not disrupt the package delivery market that is working so well.

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