

Postal Regulatory Commission Hearing

U.S. Postal Service's Six-Day to Five-Day Street Delivery and Related Service Changes 2010 Initiative (Docket N2010-1)

Biography

Lucien A (Bud) Wood

President and co-owner of Murray McMurray Hatchery, Inc. a mail order chicken hatchery.

Chair of Bird Shippers of America an organization of mail order hatcheries and poultry enthusiast. We are advocates for hatcheries and individuals who ship poultry.

Introduction

Thank you for the opportunity to speak before you today. I am representing the Mail Order Hatchery industry and others who ship poultry through the US Mail throughout the United States and it's territories. I am the Chair of Bird Shippers of America, an organization of mail order hatcheries and poultry enthusiast. I am also the president and co-owner of Murray McMurray Hatchery, Inc. a mail order chicken hatchery.

Our industry primarily provides poultry to small flock owners and back yard flocks. Because of the size of our orders, and that our customers are spread throughout the United States, the US Mail is the only economical shipping option for us.

History of the Industry

At the beginning of the 20th century commercial incubators became available and our industry was born. Murray McMurray Hatchery, Inc. started in 1917 and has used the US Post Office from the beginning to ship our chicks, just like so many other hatcheries across the country.

The egg is a marvel of nature. The chick embryo develops from the white part of the egg and the yolk is its food source. Prior to hatching the chick will envelope what is left of the yolk, which will give it 3 days of food and water after emerging from the shell. In nature, this gives the mother hen 3 days to insure all eggs are hatched before taking her brood to food and water. This also allows us 3 days to ship the chicks through the mail.

From the beginning, we have been in partnerships with the US Post Office. In the early days the USPS used trains to ship our birds. We could reach every part of the country within the 72-hour limit. As trains were phased out, in the 1950's through the 1960's, planes took over as our mode of transportation.

Today, according to Joel Rosen, USPS Logistics Network Operations, the US Post Office shipped 1.8 million pounds of day old poultry from May 13, 2009 through May 12, 2010. If you add in the adult birds that are mailed, my guess is the total postage paid by the mail order hatcheries is easily over \$10,000,000 a year. At McMurray Hatchery, postage is our largest single expense each year.

Over the years we have faced many challenges when shipping our chicks. In 2001, an animal rights group convinced airlines with postal contracts to no longer accept poultry as mail. Through legislation, sponsored by Senator Grassley, we were able to force the airlines to carry all of the mail and not be able to pick and choose. As part of the compromise, we agreed to a Live Poultry Surcharge of 20 cents per pound. This surcharge is the only surcharge in all of the US Postal Service.

Shortly thereafter Northwest Airlines did not renew their postal contract. This left the upper mid-west without enough airlift to carry birds. The USPS negotiated a special contract to just carry "lives" with Northwest. As a result an additional 80 cents was added to the existing surcharge for anyone shipping out of Minneapolis or Detroit.

We are also restricted as to the day of the week we can mail. We have been told that Tuesday is the busiest day of the week for the Post Office and they cannot guarantee they can handle our volume.

We, at McMurray Hatchery, can only mail on Saturday. That leaves very little room for error to make the 72-hour deadline on Monday. Other hatcheries are restricted to Mondays or Wednesdays. A larger number of boxes mailed on Wednesdays are arriving on Saturday, not on Friday, as they should.

Most of the hatcheries ship Priority Mail, which has a 3-day guarantee. Some hatcheries opt to ship Express Mail so that the birds will arrive in 2-days. This year the guarantee for Express Mail was changed to exclude poultry. The explanation we were given is that if there is dry ice on the flight, which gives off carbon dioxide, they must bump the birds off of the flight. Therefore, they cannot guarantee the 2-day arrival. Once again our industry has been discriminated against.

Saturday Mail Service

The loss of Saturday mail service would not affect our industry if some of the other issues could be addressed.

1. We need 3 days (Sunday, Monday, and Tuesday) at the beginning of the week in which we can ship. Therefore our shipments should arrive prior to Saturday.
2. If we can continue to put the shipments in the mail stream on Saturday for Monday delivery.
3. If birds do arrive at local Hubs or Post Offices on Saturday, the customer could be contacted by phone and arrangements made to have the birds picked up.

Summary

We are concerned where the cost cutting measures are going. We cannot afford to lose any more service. It would be devastating to our industry, If we lost Saturday, and then later lost Wednesday.

We can support the loss of Saturday if, we are allowed to ship on Saturday, Sunday, Monday and Tuesday and guaranteed the 72-hour delivery.

Thank you again for the opportunity to voice our concerns.