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**STATEMENT OF JOHN GALER, PUBLISHER OF THE HILLSBORO (IL) NEWS ON
BEHALF OF THE NATIONAL NEWSPAPER ASSOCIATION
BEFORE THE SUBCOMMITTEE ON GOVERNMENT OPERATIONS OF THE COMMITTEE
ON OVERSIGHT AND REFORM**

CHICAGO, IL

OCTOBER 15, 2021

My name is John Galer. I am the publisher of 10 newspapers in southwest Illinois. My principal office is approximately 70 miles from St. Louis. The Processing and Distribution Center there is the plant where most of my Outside County mail goes to enter the postal network.

I am also vice chair of the National Newspaper Association, (NNA) where I serve on its Public Policy Oversight Committee and its Government Relations Committee. NNA is a 136-year-old organization serving community newspapers like mine, mostly weeklies and small dailies that are the main source of news in their towns, counties and regions. Our organization also serves agricultural newspapers, neighborhood papers and others that address communities of interest as well as communities of geography. One thing that ties us together is that almost all of us depend upon our printed newspapers as our primary source of revenue. And we depend upon the US Postal Service as our circulation departments. USPS is my distribution service. My observations on the state of the Postal Service today are drawn from my own experience and from conversations with others in our industry.

NNA has been a long-time supporter of this Committee's work on postal reform. We have endorsed the Postal Service Reform Act of 2021 and are fervently hoping for its enactment this year.

I would like to raise two concerns with the committee.

First, newspaper delivery outside the delivery offices where our mail is entered has been a problem for many years. In the past 18 months, it has reached a crisis point and our publishers are losing subscribers by the droves.

Second, the service performance measurement totals that you see in the Postal Service's quarterly reports do not reflect the problems we see in our own mailing experience. I will explain why that is the case.

How newspaper delivery is a failing

Postal affairs have been at the center of NNA's work since I took over our newspapers from my father 27 years ago. We dedicate our time to helping members adapt to the ever-changing postal system and to helping USPS understand the needs of our members. Because most of our publications serve small-town America, our publishers are often the largest mailers in their local post offices, even if our aggregate revenue and piece totals make up a small fraction of the Postal Service's mail.

NNA maintains multiple channels of communication with USPS, including our membership on the Postal Service's Mailers Technical Advisory Committee. Often the communications coming from USPS are directed at what it likes to call the "mailing community." We do not think of ourselves as mailers in the way our colleagues in the catalog and direct mail businesses might, though. We are publishers first. We are journalists. But the communications coming from USPS are often bewildering to small town



publishers, and so they often simply ignore them. In the two weeks prior to the August 29 postage rate increase, for example, several of my colleagues commented that their postmasters were saying they were unaware of a coming rate change. We knew that was wrong, and so our members were having to educate USPS personnel on what was really going on.

Our local relationships with postmasters and Business Mail Entry people are generally collegial and cooperative. We need these local offices and the postal employees know the towns need us. Without us, our towns would become news deserts, without oversight of local civic affairs, coverage of schools and youth sports and involvement in the economic development of our areas. We are also newspapers of record, providing public notices that are supported by legally-required publication affidavits to help our local governments carry out their own mandates to give timely notice of their votes, activities and issues.

With this background, the subcommittee can easily see that reliable delivery is essential to our mission. News delayed is news denied. That can have both cultural and economic consequences when people miss news of weekend events or retail bargains on Main Street. It also has legal consequences when required public notices don't get to our readers in enough time to let them do their part in our democracy.

The mailing profile of our members varies somewhat depending upon the newspaper's mission. For example, our agricultural newspapers like the Farm and Dairy News out of Salem, OH, tries to reach a wide area of northern Ohio. The Intermountain Jewish News in Denver, which connects a community spread across the Front Range of the Rockies and The Budget in Sugar Creek OH keeps Mennonite and Amish readers across the nation in touch with their religious community.

Most of our members, however, serve small towns. They rely upon Within County Periodicals mail for 75-80 percent of their mail distribution and Outside County Periodicals mail for the rest. The Within County mail is exceptionally efficient for USPS with more than 75 percent presorted to the carrier route and entered at the Post Office—often on a dock overnight—for delivery that day or the next day. On-time delivery is generally pretty good, although last year's holiday season produced disruption in those reliable networks.

It is the Outside County mail where we really run into headaches.

This mail might be for our snowbirds who escaped Illinois's sometimes harsh winters but will come home and re-engage in the milder months. Or, as in my case, it might be for people who live 20 miles away from Hillsboro but shop in my town. All of our subscribers are important, but for these near-market subscribers the delivery problems are debilitating.

Here is how this mail works for us at the Hillsboro Journal-News.

We enter our mail in Hillsboro, 62049, on Mondays and Thursdays, in the morning.

Most of that mail is worked in Hillsboro. All the carriers have to do is take out these presorted pieces with their other mail. That delivery to subscribers is the same day.

Some of the mail we take ourselves to smaller offices around Hillsboro. But we also serve towns like Staunton, Greenville, Alton and Gillespie. Those subscriber copies are in 3-digit bundles that go to St. Louis.

Subscribers in those towns report receipt anywhere from three days later, to a week later, to up to a month for delivery of their Journal-News.

What happens to this mail? It goes to St. Louis, where these 3-digit bundles are processed and are intended to be immediately dispatched to 62088, 62246, 62002 and 62033, etc. At most, it should take a



day for these bundles to reach St. Louis and a day for them to get back to the small towns, for delivery on Day 3. But it doesn't happen that way.

Frankly, we do not know why. My Hillsboro postmaster has inquired. I have even had conversations with the plant manager at the St. Louis P and DC. We are unable to pinpoint a systemic cause for the chronic delays. Given the low performance scores for Periodicals in general, we probably should not be surprised, but we need better performance.

I suspect that the answer is to be found in the way manually-sorted mail is handled. I think there are problems in the highly-automated plants where the manual mail is out of sight, out of mind. I noted with interest the report from the USPS Office of the Inspector General on Sept. 21 on Manual Mail Processing Efficiency, found at <https://www.uspsoig.gov/document/manual-mail-processing-efficiency>. The report highlighted some challenges in this operation. It did not specifically look at newspaper mail, but the audit did show that attention from USPS is needed in this area.

I am gratified that USPS has recently formed a small task force with NNA that we are informally calling the Long-Distance Subscriber Task Force. We are examining the mailing profiles and mail flow of a handful of our members to see if we can find the pinch points in these systems and improve our subscribers' experience. My newspapers are the second case study for this task force. We do not yet have results, but we are learning a lot so far from our experience. We expect to discover some opportunities for changes in mail preparation as well as many opportunities to educate USPS plant personnel on why timely newspaper handling is important. Overall, however, we expect to discover that the manual processing operation has suffered from neglect as a result of the Postal Service's many changes over the years.

We also are increasingly aware that our problems are fairly invisible to the Postal Service. That leads me to my second concern.

Newspaper Service Statistics Are Not Included in Performance Measurements

Mr. Chairman, the most recent Service Performance reports for Outside County periodicals show that as of June 30, the system average for on-time arrival was 59.3%. The reports can be found here in a .zip file under Periodicals YTD.

<https://www.prc.gov/dockets/quarterly-performance>

If I had tried to get out of school with a 59% passing rate, I am afraid my parents would have had me on perpetual lockdown. Obviously, this is not a successful performance.

It is easy to say the dismal scores were related to the problems plaguing USPS all of last year—the COVID-19 infections, shutdowns and prevention exercises, the rise in package volumes, changes within the system and other factors. But for Periodicals, the grades have not been very good for a long while. If you looked at the same period for 2017, for example, on-time delivery for End to End Periodicals was only about 75%.

But these reports do not capture the newspaper experience. It is important for Congress to understand that.

The data that are aggregated for these reports come in large part from the scanning mail pieces as they are sorted by machines in processing plants. Newspapers are sorted by hand. These individual pieces are not scanned. Therefore, when you see a Periodicals service report, please know that newspaper data are not reflected in what you see.



Solving this problem is an issue NNA has worked on with USPS for many years. We had hoped by now that capturing scans of bundles and containers, many of which have the necessary barcodes available for scanning, would produce some actionable data. But that development has been slow to materialize. No system for scanning manually-worked pieces has been developed by USPS and we have no indication of any plans to do so.

IF we had scanning data from newspaper delivery, most likely the locally-entered Delivery Unit mail would bring USPS's Periodicals scores up. But the Outside-County mail that enters the network would clearly bring the scores down. Whatever the anticipated result, the service data should have a continuous improvement goal so that eventually all of the mail is reflected in the scores.

The absence of newspaper mail from the public reports is another example of the out-of-sight/out-of-mind problem that publishers face in solving delivery problems.

Hence, we are reliant upon complaints from subscribers to determine how well we are doing in reaching our readers. That means we are reliant upon their good will in trying to help us be better, rather than just dropping the subscription. We extend subscriptions because of delayed deliveries, resend issues for subscribers, all at additional cost to us. We do almost anything to keep from losing a subscriber. Then we work with USPS to find solutions.

Community newspaper publishers are people who care deeply about their communities. We know that a successful town needs a good newspaper AND reliable mail service. Both of these elements are necessary for a thriving civic and economic life.

In my experience, USPS people are as mission driven as our newspaper staffs are. They are doing what they do because they believe in it. But our world is changing and for us to evolve with it, we need the attention and support of Congress. I appreciate the subcommittee's continued work to persuade the 535 stakeholders on Capitol Hill that a strong Postal Service is a part of a strong America. I thank you for your attention.

Sincerely,

A handwritten signature in black ink that reads "John M. Galen". The signature is written in a cursive style.

Publisher, Hillsboro (IL) Journal-News

National Newspaper Association Vice Chair