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Postal Service Faces Electronics

IS the U.S. Postal Service doomed by competition from machine-delivered mail, or will it be forced to shift to electronic delivery to speed up service and stay in business?

Things do change, and experts say that a major change in message delivery is now taking place.

Electronic equipment makers are in a race to get into the market with better ways of delivering messages, and a number of facsimile systems are in operation. Electronic transfer of funds and services to pay bills by phone also are available.

Numerous business firms have installed what are called word processing centers, adaptable to instant communication with other offices in the same city or in distant localities.

Microfilm devices are in use for storing copies of messages in a fraction of the space needed to file typewritten letters. Information also may be stored in computer memory banks, ready for viewing on video tubes at the press of a button or two.

Facsimile equipment can transmit messages, diagrams, financial reports and other digitized data from coast to coast at the rate of a page a minute, for as little as 50 cents a page.

The cost of dictating, typing and mailing a business letter was estimated to average $2.74 a decade ago. Recent estimates put the cost at $3.79 and predictions are that it may cost as much as $6 to write and mail a letter by 1985.

The communications market already has shifted dramatically. Research by the U.S. Department of Commerce shows that in 1945, the Postal Service handled 34.7 per cent of the message business, telephone 64.9 per cent and telegraph .2 of 1 per cent.

By 1973, telegraph had lost more than half of its small share, the Postal Service had dropped to 20 per cent and telephone had a dominant 80 per cent of a much larger market.

Predictions have been made that by 1985, the equivalent of one-third of the Postal Service's current volume could be lost to electronic transfer of messages.

Critics have lambasted the Postal Service for failure to take advantage of electronic mail devices offered. Official studies said it was "neither a panacea nor a guaranteed solution" to present problems of the Postal Service.

The hazard of interception of confidential information or trade secrets caused one company to devise an "electronic code book" to be used by traveling executives.

An oil company official said that in almost every country where telecommunications are run by a government authority "You have to assume that you are being monitored."

Of course, there are certain kinds of mail that may not be suitable for electronic transmission, and in spite of subsidies required to keep it operating, chances are that Congress never will allow the Postal Service to disappear.

Tomorrow's electronic mail is fascinating, but the familiar postman still looks pretty good.