

Opening Statement of Ron A. Bloom
Senate Homeland Security and Governmental Affairs Committee
Confirmation Hearing, U.S. Postal Service Board of Governors
April 2, 2019

Chairman Johnson, ranking member Peters and members of the Committee, thank you for considering my nomination to serve on the Board of Governors of the United States Postal Service.

It is a great honor to be considered and if confirmed I can assure you that I will work diligently to help guide this vital American institution in adapting to its fast-changing environment and many challenges.

Since before the Nation's birth, the Postal Service has played a vital role as the backbone of America's delivery infrastructure. And while changing times demand changing solutions, the core mission of providing affordable access to its network to all Americans, is as relevant today as it has always been.

I believe that my background and experience equip me to play a meaningful role in meeting the Postal Service's challenges and positioning it for the future.

In addition to my Masters of Business Administration with Distinction from Harvard, my forty years in the workforce have provided me with what I believe are a distinct and relevant set of experiences and perspectives. My work has been equally balanced between business, where I have worked in investment banking and private equity and work for labor unions, with just over 2½ years of service for the Federal Government.

My time in investment banking included two stints doing financial advisory and restructuring work at Lazard as well as founding and building a boutique advisory firm. For the last 3 years I have worked in Private Equity, where I am Vice-Chair and Managing Partner in Brookfield Asset Management's Private Equity business. Brookfield is one of the largest alternative asset managers in the world, with over \$350 billion of assets under management and places significant focus on being good, responsible stewards of businesses.

My work for labor unions included time with the Service Employees and the Steelworkers Union. At the Steelworkers, I helped the union to navigate dramatic changes in its core jurisdiction as well as developing partnerships with Wall Street investors. My time at the Federal Government included work at the Treasury Department helping to lead the restructuring of the Auto Industry and at the White House as Assistant to the President for Manufacturing Policy.

In each of those settings my focus has been on designing and leading positive and creative multi-faceted changes to the strategy, operations and finances of complex large organization.

Whether it was the problems facing the nation's largest steel companies, tire manufacturers, the auto industry or the City of Detroit, I have been able to craft solutions that balanced multiple legitimate needs and moved the affected organization forward.

The Postal Service faces many challenges. It must adapt itself to the enormous changes regarding the demand for and nature of its products. It must continue to play its role as the backbone of the nation's delivery infrastructure. And it must honor its obligations and commitments by developing and implementing a plan that meets the needs of its customers and ensures long-term financial viability, all without requiring direct taxpayer assistance.

To do this, the Postal Service must take advantage of its most valuable asset – the size and density of its network. Any change that reduces delivery frequency and convenience will need to weigh any forecasted direct cost savings against both the potential loss of revenue and customers who use the Service precisely because of the attributes of its network.

That said, the USPS cannot ignore the long-term inexorable decline of first-class mail and that successfully transitioning to a greater focus on package delivery requires re-thinking many of its historical approaches. Add to that the obligations of the universal service obligation and the need to meet the concerns of rural communities and you have a devilishly complex balancing act.

I believe that the Board of Governors has an important role to play here. Working within the legal and regulatory framework set by the Congress and the Postal Regulatory Commission, I see the Board's job as working with Postal Service management to develop a strategic plan that would allow the USPS to fulfill its mission, meet its obligations and achieve long-term operational and financial viability and to provide oversight, support and guidance of and to the management as they carry out that plan.

I believe that each Governor is responsible for contributing his or her best ideas and to work constructively with the other Governors to do our job. I expect that there will often be spirited debate – there are no easy answers for the Postal Service and a wide variety of relevant perspectives. But I am confident that if I am given the opportunity to serve, I can work with my fellow Governors to chart a positive path forward for this important American treasure.