



U.S. Department of Justice
Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

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Committee on the Judiciary

The Honorable Henry J. Hyde
Chairman, Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

This responds to your letter concerning a possible strategic alliance between the United States Postal Service (USPS) and FedEx Corporation (FedEx). According to press accounts, USPS and FedEx are considering a cooperative venture wherein USPS might handle residential delivery and pick-ups for FedEx, particularly in rural residential areas currently beyond FedEx's delivery reach, and FedEx might carry certain deliveries for the USPS, such as express or priority mail shipments.

The USPS has a federally mandated monopoly in the delivery of first class mail. However, it competes with FedEx and others (including the United Parcel Service) in the delivery of priority mail and in the shipment of packages. Because the USPS and FedEx currently compete, the Antitrust Division intends to review any alliance these two parties may reach to determine whether there are issues for federal antitrust enforcement.

We appreciate your interest in this matter and your strong support for federal antitrust enforcement. Please let me know if the Department of Justice may be of further assistance.

Sincerely,

Robert Raben

Assistant Attorney General