

Private Postal Service

He's Challenging Uncle Sam

By MARY PADEN

DETROIT Thomas Murray, a 46 year old cocky Irishman who has been described as "a restless entrepreneur type" announced the Detroit area opening of his Independent Postal System of America Wednesday.

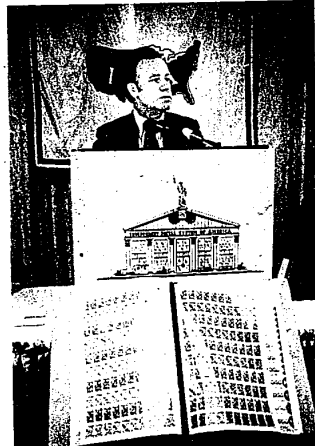
Four years ago, Murray, an immigrant who worked his way up from bellboy to hotel owner, decided to challenge Uncle Sam's mail monopoly and start his own postal system.

Although he is barred by federal law from delivering first class letters, he has rolled up his sleeves to dig into the second through fourth class mail which comprises about 90 per cent of the government's business.

SINCE MURRAY announced the opening of his first office in Oklahoma in 1968 he has received investments, favorable letters and good press from people exasperated by the U.S. Postal System's bureaucracy and steadily increasing rates.

He has also been hit with a number of law suits by postal workers in several cities including Detroit. The American Postal Workers Union claims mail delivery by a non-government agency is a violation of the U.S. Constitution. The Constitution says Congress may enact laws "to establish post-offices and post-roads." It doesn't specifically say Congress alone may provide this service.

Beginning as a \$500 corporation, Murray's postal



THOMAS MURRAY, an Irish immigrant who has gone into competition with the U.S. Postal Service, announced the opening of his Independent Postal System of America in the Detroit area last week.

system has grown to include 115 offices in 30 states and Canada, 49 of which opened this year. He said 18,000 people are involved in the operation.

One IPSA branch office, managed by Phil Minch, is operating at 12911 Stark Rd., Livonia. Serving Redford

serves that community, Wayne, Westland and Inkster. Manager Mario Ferri says he still has routes available.

Other offices are in Dearborn, Warren, Mt. Clemens, St. Clair Shores, Pontiac and Detroit.

MURRAY TOLD how he decided to compete with the U.S. government.

An Oklahoma business acquaintance was complaining to Murray over a cup of coffee about the high cost of mailing, he said. The friend rattled off figures that suggested a privately owned postal system may be able to provide better service at less cost.

"I took his projections and a calculator and a bottle of Scotch (a good Irishman, he apologized for the Scotch) looked myself in a motel room for three days. I came up with projections that astounded me," he said.

CONVINCED it was possible to make money delivering mail ("We went into business to make money," he stressed.) He set the opening of the new system to coincide with a day when a national TV news team would be in the city.

He bluntly made use of a federal program which paid 50 per cent of the salary of Indians in forming his staff. He hired 30 Indians and planned a horse and headless parade through the center of town.

Unfortunately it snowed that day and most of the Indians, including the one with the horse, stayed home.

They were replaced at the last minute by 24 "clean cut Air Force recruits."

Murray said the U.S. Postal Service lost \$2 million last year. A proposed 127 per cent rate increase for second class mail to be effective by 1976 has hit magazines hard, causing some, such as McCall's and Esquire, to reduce the size of their pages, and dealing the death blow to others such as Look.

Murray said his system reduces the number of times a magazine is handled from 18 to five reducing the cost two to three cents per magazine.

Magazine companies and advertisers are reportedly looking hopefully at Murray's mail system. Presently he only delivers to seven million homes but says that will increase to 40 million in 376 cities by 1975.

Murray is an enthusiastic

cheerleader for his company and for the free enterprise system. He says things like:

"The post office needed someone to goose it—and that's what we are doing."

"We intend to do it to the post office what the airlines did to the railroads—they will have to get with it or get out."

"We are proving that it can still happen in America."

Murray may not be able to get his mailbags around first class personal message letters but he said letters would be obsolete by 1990 anyway. And he is ready to step in with a replacement service.

"Facsimile machines will become as common in homes as TVs and radios are today," he said. "IPSA will be able to deliver a legal size letter instantly anywhere in the world for 25 cents."



IPSA SOUTHFIELD manager John Nicholas (right) presents Southfield City Treasurer Roman Gronkowski with a batch of IPSA postage stamps. (Observer photo by Mary Paden)

How Murray Became A Postal Ralph Nader

By JACKIE KLEIN

SOUTHFIELD "Bring me your unwanted, your poor, your hungry—for the common good."

That isn't exactly the way the inscription on the Statue of Liberty reads, but it is the version of Thomas Murray, founder and national president of Independent Postal Services of America.

THE SYMBOL of freedom was the first thing that impressed Murray when he came to this country from Ireland in 1950. He has perched the Statue of Liberty atop a marble-columned sketch of his proposed post office.

"The unwanted was me," the 45-year-old entrepreneur reflected at a luncheon in the Detroit Hilton Wednesday, marking the beginning of operations of the IPSA in the Detroit metropolitan area and observing the 17th anniversary of Murray's naturalization as an American. "Nobody wanted third class mail, either, but we carried it."

The IPSA had humble beginnings in Oklahoma with profit as the motive for the "simple business," Murray recalled.

"In 1967, the U.S. Post Office was racing with catastrophe and the collapse of the mail system came with a 34 per cent increase in postage," he said. "That's when the idea for an independent postal service was born, and I locked myself up in a hotel room for three days to make projections."

"I became the Ralph Nader of the U.S. Post Office, doing research in Washington and relaying my projections to an economics professor. I realized the post office as a media of communication was finished. It was working mostly for business and doing a poor job of it."

"The purpose of the post office monopoly was originally to prevent the spread of treasonous plots in England," Murray said. "The post office hasn't improved since. It needed someone to 'goose' it and we're doing just that."

FOUR WEEKS ago, Murray said, the Postmaster General addressed his employees by press release and the TV media, not by letter.

By 1990, he said, facsimile

machines will compete with "another loser," Western Union. The IPSA will be able to deliver instantly legal size documents for 25 cents.

"It is feasible for private enterprise to run a postal service supported by investment capital, not tax dollars," Murray said. "Uncle Sam's loss to the taxpayers in the past year was more than \$2 billion. Prudent business management and common sense is what is needed."

Murray began his career as a bellhop and shortly became a hotel manager and arbitrator in labor disputes. After his naturalization, he formed his own management company and operated a chain of hotels and a catering company in Michigan.

"I had nine kids and I decided to go into the post office business," he said. "I went to banks and lending institutions, leased 11,000 square feet of space, got an attorney and formed a \$500 corporation to take on Uncle Sam."

"I received money from people who were fed up with the U.S. postal service, hired 30 Indians and three showed up the first day and we were in business."

IPSA operates in 115 offices in 30 states, Murray said, and 18,000 people are involved. By 1975, he expects to have 400 offices in the United States and 150,000 people.

"We've operated in Canada for two years because we use mail boxes there," he said. "Uncle Sam says we can't use them here so we use plastic containers."

By the end of the year, IPSA will be delivering mail in five European countries, Murray projects. Locally, 400 home routes are owned by carriers who deliver all classes of mail except personal messages and distribute newspapers and periodicals and articles of commerce and industry.

Within the next five years, Murray predicts, there will be a 145 per cent postage increase for magazines. Publications are shipped to IPSA unaddressed, computer tapes are sent to match the new postal service's and magazines are delivered like newspapers, he added.

"Mary Jones shouldn't have been receiving her social security checks by mail for 20 years," he said. "Hundreds of thousands of dollars have been stolen and there have been thousands of complaints. Mary Jones's social security account could be credited and the federal reserve system could be debited to pay the bills."

"Of the \$4 billion pieces of mail the U.S. Post Office handled in 1967, only 40 per cent were personal letters, Murray pointed out. "The Post Office is a mass distribution system for articles of industry and commerce, not communication. It is available for competition."

"It is not true that we pose a threat to Post Office employees. They are prisoners of their environment and have been denied opportunities other industries have. Our ranks are open. If U.S. mail carriers could run the post office as a private business with common sense, they could make a profit."

"We are giving citizens and post office employees a choice. We are proving the American way—the free enterprise way—is the only way. Not only the federal government can deliver the mail."

Reserves Have 55 Openings

Col. Wayne W. Adair, the commanding officer of the 5032nd USAR SCHOOL, an Army Reserve Unit said enlistment vacancies are now open. The local unit is now looking for additional young men who qualify for enlistment.

There are 55 vacancies now open at the Livonia Center. Interested young men should contact Miss Gladys Stuermer at the Livonia Army Reserve Center, 34451 Schoolcraft, Livonia.

Men between 17 and 26 are eligible. The men can be married and can have dependents. With the extension of the draft law, men of 19 years of age wishing to be "citizen soldiers" and having a lottery number lower than 150 should be particularly interested in the program.

The Army Reserve program offers any young man the opportunity to fulfill his six year military obligation by serving a minimum of 120 days of active duty and the remainder of his obligation at home with a Reserve Unit and with his family.

The Army Reserve Program offers all of the benefits of the new volunteer army concept with increased pay benefits and training specialties.

Senate Passes Land Fraud Bill

LANSING A bill which attempts to eliminate land development frauds cleared the Senate before its summer recess with three votes from Ob-servers and senators.

Voting for the measure, which passed 26-3, were Sens. William Faust (D-Westland), Carl Pursell (R-Plymouth) and David Plawewski (D-Dearborn Heights). Sen. Daniel Cooper (D-Oak Park) was absent.

The proposal bans any unfair and deceptive act or advertising in selling land sites. It will be one of the first bills considered in the House when it returns to session in the fall.

REP. RICHARD Young (D-Dearborn Heights) sponsored the bill, which applies to both land in Michigan and offers made in Michigan to buy land elsewhere.

Persons selling land development sites would be required to register the sites and publish a public offering statement.

Prospective buyers would be assured they could cancel an agreement if they didn't receive an offering statement or for any reason within 14 days of receiving the contract. Filed with the state Dept. of Licensing and Regulation, the land descriptions would have to include the total area in the subdivision and type of typography, a map of the land with dimensions of the lot and its relation to off-site improvements, a list of other states where similar applications have been filed, and descriptions of availability of sewage disposal facilities and other public utilities.

The developer would have to submit a statement that he is not under court injunction or administrative order for a false promotional scheme.

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