

The Wells Fargo logo, consisting of a red square with the words "WELLS" and "FARGO" in white, serif, all-caps font stacked vertically.

**WELLS
FARGO**

**On
Postal Privatization**



“...the public Postal Service, our jobs, and our union came under serious and unprecedented threat by the billionaire ‘Wall Street’ class...”

-Mark Dimondstein, APWU President

**Are we “Nuts” or is it truly all About
Wall Street??!!**



Proof From the Wells Fargo “Smoking Gun”



About Wells Fargo?

- U.S. based multi-national financial services company
- Operates in 35 countries, over 70 million customers
- Considered one of the “Big Four” banks in U.S. along with JP Morgan Chase, Bank of America and Citigroup.
- 2024 generated \$82 billion in revenue, and \$20 billion in Income
- Wells Fargo has a long history of corruption, fraud and discriminating against Black and Hispanic mortgage borrowers.
- [Interestingly Wells Fargo was formed in the CA Gold Rush and was in the private business of moving the mail.]

What is Wells Fargo Equity Research?

- **Provides investment recommendations to clients or internal teams.**
- **An equity analyst studies financial data and public records of companies to determine the value of their stock and predict future financial performance.**

From the Horses Mouth!



Wells Fargo Published a February 27, 2025 Equity Research Report on Postal Privatization. Why Now??

“The US Postal Service is back in the headlines and with Trump 2.0’s emphasis on cost cuts, we believe Postal reform may become a focus.”

“True privatization would be tricky but possible and all paths lead to better parcel pricing.”

Seeing New Opportunities...

“Given this administrations efficiency focus we believe the USPS is an obvious source of value...Parcels can and should make money and we believe any focus on efficiency will benefit price and therefore FedEx and UPS.”

Strategies on Legislation --

“We believe any real change at USPS would need to start with legislation. Bi-partisan consensus seems unlikely, but there could be a path through reconciliation if included with the administrations larger budget agenda.”

“This could open the door to the USPS falling into the Department of Commerce headed by Howard Lutnick, who has expressed interest in privatization.”

Short of Full Privatization?

- **“A possible path forward would be to split the mail and parcel business. Parcels could be carved out and sold or IPOed.”**
- **Not just Wells Fargo: “Liberal” Brookings Institute has raised a similar approach of privatizing large parts of the USPS.**



“Harvesting” Real Estate = Post Office Closings

- **“Unlocking \$85 billion of real estate can underpin the process.”**
- **“We believe value can be harvested to help underpin the financial burden of separation.” [of parcels from letter and other mail.]**



“All Paths Lead to Better Parcel Pricing”:

- **“...we believe raising prices would be likely which would be positive for FedEx and UPS...”**
- **“The USPS parcel pricing was 25-60% below FedEx and UPS.”**
- **“To reach pricing parity with parcel competitors, the USPS needs to increase parcel rates by 30-140% depending on product line.”**
- **Underscores low-cost anchor of public institution**

Dumping on the Taxpayer:

- **“Restructuring \$400 billion of pension and healthcare liabilities need to be addressed. Our sense is these liabilities would likely be moved to another entity, (likely the U.S. taxpayer since potential buyers and or investors would be reluctant to assume such a large legacy liability.”**

And the Universal Service Obligation (USO)??

“Address the USO which currently requires mail to be delivered to all US addresses six days a week. This provision would be a challenge for a third-party operator to profitably move mail and packages.”

“Separating mail and parcel effectively answers the USO question and losses could be underwritten through some form of real estate portfolio monetization.”

PRIVATIZATION

FIRST STOP: PROFITS

LAST STOP: SERVICES

At the Heritage Foundation
stink tank...

SLASH
SOCIAL
SECURITY
AND
MEDICARE!

PRIVATIZE
ALL
PUBLIC
SERVICES!

BUST THE
UNIONS!
WORKERS
DON'T NEED
A VOICE!

KONO PACHI
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FOR THE APNU

Admitting the Obstacles:

Report raises some challenges to privatization

- “Public, private, labor and federal support of the USPS remains high”
- “USPS is authorized by Congress”
- “The USPS has bi-partisan support, particularly in rural areas”
- “Rural communities have a particularly strong affinity for the USPS”
- “The USPS provides critical services to many communities”



We the People of the
insure domestic Tranquility, provide for the common defence,
and our Posterity, do ordain and establish this Constitution
We the People

Section 1. All legislative Powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.
Section 2. The House of Representatives shall be composed of Members chosen every second Year by the People of the several States, and in each State shall have Representatives according to the most numerous Branch of the State Legislature.
No Person shall be a Representative who shall not have attained to the Age of twenty five Years, and been seven Years a Citizen of the United States, and who shall not, when elected, be an Inhabitant of that State in which he shall be chosen.

Section 3. The Senate of the United States shall be composed of two Senators from each State, chosen by the Legislature thereof, for a Term of six Years; and each Senator shall have one Vote.
Section 4. The Electors in each State shall have at least one Representative, and each State shall have at least two Senators.
Section 5. The actual Enumeration shall be made within three Years after the first Meeting of the Congress, and within each subsequent Term of Years, in such Manner as they shall by Law direct. The Number of Representatives shall not exceed one for every thirty Thousand Persons, but each State shall have at least one Representative.
Section 6. The Senators and Representatives shall receive a Compensation for their Services, and each Representative shall have a Salary of five Dollars per Annum.
Section 7. No Senator or Representative shall be a Member of either House during the Term of his Office, and no Representative shall be a Member of either House during the Term of his Office, and no Representative shall be a Member of either House during the Term of his Office.

Stand Up, Fight Back!

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