
ing, generating enough income from its operations that it would no longer require a subsidy from the federal government. Among others things the USPS needed to produce stamps at the lowest possible cost.

In open competition, the BEP had two problems offering the lowest bids. Their equipment tended to be older and less sophisticated than that of private firms. Private firms could use depreciation to write off much of their equipment expenses from their taxes, but the BEP relied on Congressional appropriations to purchase new equipment. Additionally, the BEP had higher labor costs than the private companies.

As the number of commemoratives increased, each requiring hundreds of millions of copies, the BEP did not have adequate production capacity. While many companies could produce the printed product, not all had the necessary equipment to finish them into the required stamp formats; however, when it became apparent that printing U.S. stamps would be an on-going and lucrative activity, the number of firms bidding on contracts increased. The printing and the various steps of finishing were often done by different companies.

By the late 1980s, there was increasing pressure on the USPS to break-even and perhaps even to earn a profit. Thus the cost of stamp production became more important than its previous close relationship with the BEP. This was countered by the quality product produced by the BEP compared to the often sub-standard stamps received from private firms. In order to keep their lucrative stamp contracts, private printers increased their quality controls and in 1997 produced 54% of that year's postage stamps. That percentage continued to increase until it reached 100% in 2006.

Notes on Collecting

As printers in the private sector produced more and more stamps, collectors seized this collecting opportunity, and began to collect the stamps of the many different modern private printers. Determining the printer of many modern issues is sometimes challenging. This is especially true of definitives that are often produced by several different companies. *Scott* generally identifies the companies that received the initial contract from the Post Office. However, *Scott* does not detail the various subcontractors. When a contracted firm has a stamp printed by two or more subcontractors, specialists attempt to identify the detectable differences between the printings.

The **plate number** is often a good clue in determining the printer (fig. 4). A prefix letter appears on the plate number of private printed stamps. For example, those numbers beginning with "S" were printed by Sennett, with "A" by