



**Mailing Services Price Change**  
**Effective Jan. 26, 2014**

**Mailing & Shipping Services**  
**Price Changes**  
**Effective January 26, 2014**

**January 2014**

## **Mailing & Shipping Services**

- **Background**
- **Structural changes**
- **First-Class Mail®**
- **Standard Mail®**
- **Periodicals**
- **Package Services**
- **Extra Services**
- **Promotions**



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**Total average increase of 6.0% on Market Dominant products**

## **The Price Cap**

- **CPI: 1.6%**
- **Based on Consumer Price Index**
- **PRC formula a moving average of CPI data**

**Exigent: 4.3%**



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## Classification Changes

- **New price category for First-Class<sup>®</sup> Metered Single-Piece**
- **Revision of residual structure in First-Class Mail<sup>®</sup>**
- **Introduces FSS pricing**

## First-Class Meter Rate

- **Meter Rate of \$0.48 for one ounce is available for Single-Piece mail, whether mailed at retail, or as residual in a commercial mailing**
- **Available for meter, permit imprint, pre-cancelled stamps, & PC Postage**
- **Existing requirements for Single-Piece mail remain unchanged**
- **For permit imprint mailings, the minimum piece requirement of at least 200 pieces remains**

## Residual Mail

- **First-Class Mail® Letters Residual Mail changes for January 2014:**
  - ▶ **Blended rate of \$0.50 for mailings containing 1 oz. and 2 oz. pieces**
  
  - ▶ **Option to separate pieces by weight and pay prevailing Single-Piece prices**
    - ▶ **\$0.48 for 1 oz.**
    - ▶ **\$0.69 for 2 oz.**

## Flats Sequencing System (FSS) Pricing

- **Establishes DFSS (FSS Facility) Entry Rate Structure**
  - ▶ For approximately 50% of FSS zones, the SCF is not an FSS site
- **Periodicals**
  - ▶ No pallet charge for scheme pallets entered at DFSS
- **Standard Flats**
  - ▶ \$0.001 per piece discount for pieces on DFSS-entered scheme pallets



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## **Full Service IMb Incentives Remain in Place**

- **First-Class Mail®: \$0.003**
- **Standard Mail®: \$0.001**
- **Periodicals: \$0.001**
- **Bound Printed Matter: \$0.001**



## Shipping Services Changes for Priority Mail – Commercial Plus Prices

- **Prices increase on average 0.0%**
- **Average 14.3% below Retail prices**
  - **Prices start at \$4.58**
- **Account volume thresholds apply**
- **Regional Rate Box also available**
  - **Annual account volume thresholds do not apply**
  - **Postage paid at Commercial Base prices**

## Shipping Services Priority Mail – Commercial Plus Cubic Prices

- Price based on cubic measurement and zone
  - Five price tiers starting at \$4.58
- **New!** Lower account volume threshold
- Cubic soft pack

## Priority Mail Open and Distribute®

- Only tray boxes entered at Priority Mail  
Commercial Plus prices are charged based on the *tray box* and zone to which sent rather than *weight* and zone

## Shipping Services - Parcel Select

<b>Overall Average Increase</b>	
<b>9.2%</b>	
<b>Destination Entry</b>	<b>Average Increase</b>
•DDU	<b>8.0%</b>
•DSCF	<b>5.6%</b>
•DNDC	<b>5.1%</b>
<b>Non-destination Entry</b>	<b>5.9%</b>
<b>Parcel Select Lightweight</b>	<b>10.1%</b>



# Mailing Services Price Change Effective Jan. 26, 2014

## Shipping Services - First-Class Package Service

- Overall average increase is 5.0%
- Commercial Base and Commercial Plus pricing
- Free USPS Tracking and confirmation of delivery with Intelligent Mail<sup>®</sup> package barcode (IMpb)

## Shipping Services - Standard Post

- Overall average price increase is 5.2%
- Free USPS Tracking
- **New!** Zones 1-4 upgraded to Priority Mail\*
  - \* except for HAZMAT and live animals
- A “Retail” product with payment by stamps or meter; deposited at Retail counter or Package Pickup

## Shipping Services - International Mail Changes

Product	Average Overall Increase
Airmail M-Bag	2.9%
International Priority Airmail (IPA)	-2.5%
International Surface Air Lift (ISAL)	-2.9%

- Not all IPA and ISAL mail flow to destination country
- Number of price groups increases to 20
  - Price groups 1-14 shape-based pricing
  - Separate containers for each shape (post cards & letters; flats; packages)
- Weight limits for flat-size and package-size items change
- Minimum weight for direct country price tier decreases
- Permanently suspend service to Cuba, Iran, North Korea, Sudan, Syria



# Mailing Services Price Change Effective Jan. 26, 2014

## Intelligent Mail Package Barcode (IMpb®) (Effective January 26, 2014)

- A unique Intelligent Mail® Package Barcode (IMpb)\*
- Submission of electronic Shipping Services File v. 1.6 or higher\*\* for each mailing: Including a correct destination delivery address or ZIP+4 Code for each package.
- Two Options: (1) Electronically submit a Shipping Services File with manifest, tracking, and postage information in one file (through the Electronic Verification System - eVS®)  
(2) Electronically submit a Shipping Services File with manifest and tracking information, plus a separate Postage Statement (this option is referred to as a Manifest Mailing Solution)

### **With the Intelligent Mail Package Barcode you receive:**

- The best commercial prices with the largest discount available
- Piece-level tracking information at no additional charge for most products
- Access to new products, services, and enhanced features

## Changes Apply to:

- All parcels entered through commercial channels, including, but not limited to:
  - Priority Mail Express™
  - Priority Mail®
  - First-Class™ Package Services
  - Parcel Select
  - Parcel Select Lightweight
  - Postage paid by permit imprint, postage meter, PC Postage®, Precancelled stamps, Franked Mail, or Official Mail Accounting System

(There is an exception for meter mailers receiving Commercial Base pricing)

## Exceptions to the Rules:

- All packages paid for at the retail price and inducted through retail transactions
- Periodicals parcels
- Merchandise Return Service® (MRS) permit holders not using a PCPostage-based return service – exempt from Shipping Services file
- Standard Mail Marketing® product samples with a simplified address or a Detached Address Label (DAL)
- Priority Mail letters and flats using stamps as postage or Priority Mail Forever Prepaid Flat Rate packaging
- Priority Mail letters and flats prepared in a high-speed environment featuring a unique Intelligent Mail Barcode and electronic documentation with USPS approval.



# Mailing Services Price Change Effective Jan. 26, 2014

## Exceptions to the Rule - Continued

- Priority Mail Express pieces with postage paid through a postage meter imprint and using a Label 11-B
- Priority Mail Express pieces entered under a Priority Mail Express Manifesting Agreement (PMEM) and paid via a USPS Corporate Account
- Standard Mail pieces presorted and containerized in 5-digit sacks bearing an Intelligent Mail Barcode
- Meter mailers receiving Commercial Base® pricing are granted an extended transition period until January 25, 2015. During this extension, mailers who fail to meet the new requirement will continue to qualify for discounted rates and will not be subject to a noncompliance fee
- Standard Mail®, MRS, Bound Printed Matter®, Library Mail®, and Media Mail® are granted an extended transition periods. During these periods, noncompliant pieces of these specific classes will not be subject to a noncompliance fee

## First-Class Mail®

- **5.9% overall increase**
- **\$0.46 stamp price increases to \$0.49**

Product	Percent Change
Single-piece Letters & Cards	5.5%
Single-piece Metered	4.3%
Flats	6.0%
Parcels	11.0%
Presort Letters & Cards	6.0%
First-Class Mail International (includes letters, cards, and flats)	8.5%





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## First-Class Mail® Single-Piece

- **Letters**
  - **Additional ounce increases to \$0.21**
  - **Postcard rate increases to \$0.34 (stamped postcards will now cost \$0.38)**
  - **First-Class Mail International® Global Forever Stamp \$1.15**



# Mailing Services Price Change Effective Jan. 26, 2014

## Key First-Class Mail Bulk Prices

	<b>Current Price</b>	<b>New Price</b>	<b>Percent Change</b>
Mixed AADC Automation Letters	0.405	0.435	7.4%
3-Digit Automation Letters	0.384	0.406	5.7%
5-Digit Automation Letters	0.360	0.381	5.8%



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## First-Class Mail® Presort

- **Letters**
  - Letters up to 2 ounces charged the 1-ounce price
  - Additional ounce increases to \$0.13



# Mailing Services Price Change Effective Jan. 26, 2014

## First-Class Mail® International

- **6.6% overall increase**

Product	Percent Change
Letters	4.5%
Flats	10.9%
Cards	4.5%



# Mailing Services Price Change Effective Jan. 26, 2014

## Standard Mail®

- **5.9% overall increase**

Product	Percent Change
Letters	5.9%
Flats	6.2%
Carrier Route Letters, Flats, and Parcels	6.0%
High Density / Saturation Letters	5.6%
High Density / Saturation Flats and Parcels	5.7%
Parcels	6.2%
EDDM-Retail	9.4%



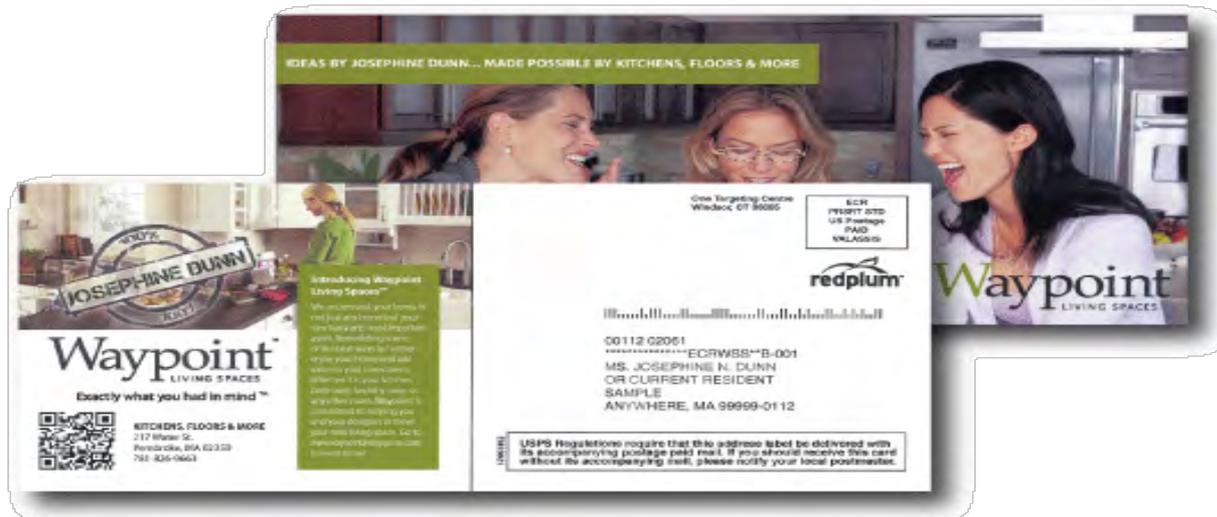
# Mailing Services Price Change Effective Jan. 26, 2014

## Key Standard Mail Prices

	<b>Current Price</b>	<b>New Price</b>	<b>Percent Change</b>
Letters (5-Digit Auto entered at Origin)	0.247	0.261	5.7%
Flats (5-Digit Auto Flat entered at Origin)	0.362	0.386	6.6%
Carrier Route (Flat entered at Origin)	0.279	0.295	5.7%
High Density/Saturation Letters (Saturation Letter entered at Origin)	0.189	0.198	4.8%
High Density/Saturation Flats (Saturation Flat entered at Origin)	0.201	0.211	5.0%
EDDM-Retail	0.160	0.175	9.4%

## Standard Mail & EDDM Flats®

- **Detached Address Labels (DALs)**
  - Price increases to \$0.034 from \$0.031
  - Disallow use of DAL's with EDDM mail
  - New EDDM BMEU Entered Price based on Entry Point



- **New Flat Sorter Sequencing Requirements**
  - **Required Flat Sorter Sequencer's (FSS) optional preparation standards are now mandatory for bundles delivered within the Zip Codes served by FSS processing identified in Labeling list L006**
  - **A new destination FSS (DFSS) price has been added for FSS sort plan pallets entered at the correct FSS facility.**

## **New Minimum Volume Criteria for Manifested Parcels (MMS and eVS)**

- 50 Pieces or 50 pounds when paying postage by Permit Imprint for Manifest Mailers (MMS) and eVS for any single-piece parcel mailings.
- Allowance of a combination of any domestic single-piece priced parcels using any of the following: Priority Mail Express, Priority Mail, First-Class Mail, First-Class Package Services, Parcel Select Nonpresort, Bound Printed Matter-Nonpresort, Single Piece Media or Library Mail



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## Standard Nonprofit Mail®

- **The average revenue per piece from Nonprofit “products” must equal, as nearly as practicable, 60 percent of the average revenue per piece for commercial Standard Mail**
- **USPS continues to make every effort to keep the nonprofit discounts equal to commercial discounts**



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<b><u>Periodicals</u></b>	<b>Percent Change</b>
Barcoded Machinable Flats Carrier Route Basic (Piece Rates)	6.2%
Barcoded Machinable Flats 5-Digit (Piece Rates)	5.8%
Outside County	5.9%
Inside County	6.0%

**Note: No individual publication prices will increase greater than 7.5%.**

## Package Services

- **5.8% overall increase**
- **Eliminate \$0.03 Postnet barcode discount for BPM Flats**
- **Retain \$0.001 IMb barcode discount for BPM Flats**

<b>Product</b>	<b>Percent Change</b>
<b>Media Mail/Library Mail</b>	<b>6.5%</b>
<b>Alaska Bypass</b>	<b>6.8%</b>
<b>Bound Printed Matter</b>	
<b>Flats</b>	<b>5.0%</b>
<b>Parcels</b>	<b>6.2%</b>

## 2014 Promotions

- **Mobile Technology Integration**
  - ▶ Build upon previous promotions and continue strategy to encourage mailers to integrate direct mail with mobile technology
- **Technology Drives Relevance**
  - ▶ Leverage the value of innovative direct mail techniques that are effective but less widely used
- **Leverage Value of First-Class Mail®**
  - ▶ Promotions intended to slow the declining volume trends and ensure reply mail and FCM advertising remain a relevant part of the FCM mix
- **New Customer Acquisition**
  - ▶ Program to provide incentive for new small business customers to try direct mail



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JAN – FEB - MARCH

APRIL – MAY - JUNE

JULY – AUG - SEPT

OCT – NOV - DEC

## FIRST-CLASS MAIL

Earned Value Promotion



Color Print in First-Class Mail Transactions Promotion



## STANDARD AND FIRST-CLASS MAIL

Mail and Digital Personalization Promotion

Branded Color Mobile Technology Promotion



Promotion Period May 1 – June 30



Premium Advertising Promotion \*mail prepared/ presented as FCM



## STANDARD MAIL

Emerging Technology Featuring NFC Promotion

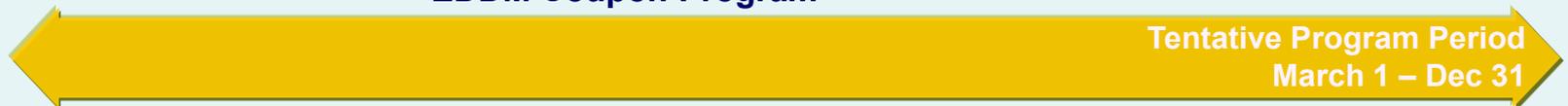


Mail Drives Mobile Commerce Promotion



## EDDM MAIL

EDDM Coupon Program



## Additional Information

- **For All Commercial Mail:** To accommodate changes in facility functions, the Postal Service has been allowing destination sectional center (DSCF) facility pricing at some former SCFs. As advance notice, effective January 2015, to qualify for DSCF pricing, mailers would be required to enter mail at an actual SCF.
- **Periodical Tray and Sack Labels:** We have revised standards for all tray labels to formalize what has been a practical restriction: That all tray labels be non-adhesive. This enables quicker turnaround of empty trays for customer use.
- **Business Reply Mail:** First-Class BRM for Parcels category is being eliminated. Mailers will be required to use Merchandise Return Service or USPS Return Services. A one year transition period will take place.

## Resources

### ▪ Online

#### ▪ **Postal Explorer® — [pe.usps.com](http://pe.usps.com)**

- Current and new prices
  - Including downloadable price files
- *Federal Register* notices
- *Domestic Mail Manual & International Mail Manual*
- ***[Rapid Information Bulletin Board – RIBBS.usps.gov](http://RIBBS.usps.gov)***
- *Intelligent Mail Services – Latest News link*

### ***Suncoast District Mailing Requirements Offices***

- *Tampa District Mailing Requirements: (813) 243-5938*
- *St. Petersburg Mailing Requirements: (727) 323-6520*
- *Manasota Mailing Requirements: (941) 359-5148/5185*
- *Orlando Mailing Requirements: (407) 812-1188/1189*
- *Mid Florida Mailing Requirements: (407) 333-4878/8678*



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A close-up photograph of a person's hands holding a black smartphone. The phone's screen is white and displays the word "Questions?" in a bold, dark blue font. In the background, a large, out-of-focus QR code is visible.

**Questions?**