



2017 Postal Rate Changes

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National Postal Forum Registration

Come join us at the Baltimore Convention Center for the 2017 National Postal Forum
May 21-24 in Baltimore, MD.

Visit NPF online registration and login to your existing account or create a new profile to register. After you have logged into your profile, to register simply click "Would you like to register for the 2017 National Postal Forum?" and follow the steps to choose a registration type, apply any discounts you may qualify for, select optional events or Professional Certification programs, reserve a hotel room and make payment.

**** Opportunity to Save! ****

To receive an extra 10% off of your 2017 NPF registration, be sure to check the box labeled "I have a different discount code" and enter the code **FALLON2017** into the discount code box and then click "Apply".

To learn more about registration options and opportunities to save visit WWW.NPF.ORG for details.

National Postal Forum Exhibit Hall

Come join us at the Baltimore Convention Center for the 2017 National Postal Forum
May 21-24 in Baltimore, MD.

For three days this coming May you will have the opportunity to exhibit at the country's preeminent trade show devoted to the mailing industry and "make your 2017 NPF Connections in Baltimore, MD.

Don't miss out on the premier marketing event for mailing professionals and USPS business customers. Exhibit where you can reach your target customer more effectively and efficiently. Initial booth assignments will be made in 2016 for the National Postal Forum in Baltimore, Maryland. Booth spaces are assigned on a first come-first served basis – so act quickly!

Go to the NPF website for the latest information -- WWW.NPF.ORG.

Overview

- **Rates effective - January 22, 2017**
- **Shipping Services**
- **Market Dominant Products**
- **What Can You Do With An Extra Ounce?**
- **Implementation Checklist**

January 22, 2017

- Rates go up on Sunday, January 22
- Mail is now 24 x 7, 365 days a year
- Opportunity to test meters, software

Shipping Services

- Priority Mail Express
- Priority Mail
- Parcel Select
- Parcel Return Service
- Global Express Guaranteed (GXG)
- Express Mail International
- Priority Mail International
- M-bags

Shipping Services: Priority Mail Express

Retail Pricing

Type	Current Rates	New Rates	Per Piece Change	% Change
Flat Rate Envelope	\$ 22.95	\$ 23.75	\$ 0.80	3.5%
Legal FR Envelope	\$ 22.95	\$ 23.95	\$ 1.00	4.4%
Padded FR Envelope	\$ 22.95	\$ 24.45	\$ 1.50	6.5%
Up to 2 Lb (Zone 1)	\$ 22.95	\$ 23.75	\$ 0.80	3.5%

Commercial Base / Commercial Plus

Type	Current Rates	New Rates	Per Piece Change	% Change
Flat Rate Envelope	\$ 20.66	\$ 21.18	\$ 0.52	2.5%
Legal FR Envelope	\$ 20.66	\$ 21.28	\$ 0.62	3.0%
Padded FR Envelope	\$ 20.66	\$ 21.64	\$ 0.98	4.7%
Up to 4 Lb (Zone 1)	\$ 20.66	\$ 21.18	\$ 0.52	2.5%

Additional Fees:

Sunday Delivery –\$12.50

10:30am Delivery - \$5.00

Non-IMPb Comp - \$0.20

Shipping Services: Priority Mail Retail

Type	Current Rates	New Rates	Per Piece Change	% Change
Flat Rate Envelope	\$ 6.45	\$ 6.65	\$ 0.20	3.1%
Legal FR Envelope	\$ 6.45	\$ 6.95	\$ 0.50	7.8%
Padded FR Envelope	\$ 6.80	\$ 7.20	\$ 0.40	5.9%
Small FR Box	\$ 6.80	\$ 7.15	\$ 0.35	5.1%
Medium FR Box	\$ 13.45	\$ 13.60	\$ 0.15	1.1%
Large FR Box	\$ 18.75	\$ 18.85	\$ 0.10	0.5%
APO/FPO/DPO				
Large Flat Rate Box	\$ 16.75	\$ 17.35	\$ 0.60	3.6%
Up to 1 Lb (Zone 1)	\$ 6.45	\$ 6.65	\$ 0.20	3.1%

Shipping Services: Priority Mail Commercial Base

Type	Current Rates	New Rates	Per Piece Change	% Change
Flat Rate Envelope	\$ 5.75	\$ 5.95	\$ 0.20	3.5%
Legal FR Envelope	\$ 5.75	\$ 6.25	\$ 0.50	8.7%
Padded FR Envelope	\$ 6.10	\$ 6.50	\$ 0.40	6.6%
Small FR Box	\$ 6.10	\$ 6.45	\$ 0.35	5.7%
Medium FR Box	\$ 11.95	\$ 12.40	\$ 0.45	3.8%
Large FR Box	\$ 16.35	\$ 17.05	\$ 0.70	4.3%
APO/FPO/DPO				
Large Flat Rate Box	\$ 14.35	\$ 15.55	\$ 1.20	8.4%
Up to 1 Lb (Zone 1)	\$ 5.75	\$ 5.95	\$ 0.20	3.5%

Shipping Services: Priority Mail Commercial Plus

Type	Current Rates	New Rates	Per Piece Change	% Change
Flat Rate Envelope	\$ 5.60	\$ 5.75	\$ 0.15	2.7%
Legal FR Envelope	\$ 5.60	\$ 6.05	\$ 0.45	8.0%
Padded FR Envelope	\$ 5.90	\$ 6.30	\$ 0.40	6.8%
Small FR Box	\$ 5.90	\$ 6.25	\$ 0.35	5.9%
Medium FR Box	\$ 11.60	\$ 12.05	\$ 0.45	3.9%
Large FR Box	\$ 15.85	\$ 16.55	\$ 0.70	4.4%
APO/FPO/DPO				
Large Flat Rate Box	\$ 13.85	\$ 15.05	\$ 1.20	8.7%
Up to 1 Lb (Zone 1)	\$ 5.60	\$ 5.75	\$ 0.15	2.7%

Market Dominant

- **First-Class Mail**
- **USPS Marketing Mail**
- **Periodicals**
- **Package Services**
- **Extra Services**

Market Dominant: First Class Mail

- **Eliminated 3-Digit Sort Level**
- **Commercial – up to 3.5 ounces**
- **“Alternate Postage” now “Share Mail”**
- **Meter single-piece decreases**
- **Full Service IMb incentive remains**

Market Dominant: First Class Mail Retail

Type	Current Rates	New Rates	Per Piece Change	% Change
Retail Single Piece	\$ 0.47	\$ 0.49	\$ 0.02	4.3%
Additional Ounce	\$ 0.21	\$ 0.21	\$ -	0.0%
Flats - One Ounce	\$ 0.94	\$ 0.98	\$ 0.04	4.3%
Postcards	\$ 0.34	\$ 0.34	\$ -	0.0%
Parcels (up to 4 oz)	\$ 2.62	\$ 2.67	\$ 0.05	1.9%

Market Dominant: First Class Mail Commercial

Type	Current Rates	New Rates	Per Piece Change	% Change
Retail Single Piece	\$ 0.470	\$ 0.490	\$ 0.020	4.3%
Metered Single Piece	\$ 0.465	\$ 0.460	\$ (0.005)	-1.1%
Mixed AADC	\$ 0.419	\$ 0.423	\$ 0.004	1.0%
3-Digit/AADC	\$ 0.399	\$ 0.403	\$ 0.004	1.0%
5-Digit	\$ 0.376	\$ 0.373	\$ (0.003)	-0.8%

What Can You Do With An Extra Ounce?

* Actually 1.5 ounces!

- Additional inserts
- Redesign flats to 6 x 9
- Redesign statements
 - Color (heavier substrates)
 - Pertinent, useful information

Market Dominant: USPS Marketing Mail

- Formerly “Standard Mail”
- Rebranding to influence marketers
- 18-month transition planned
- No immediate changes to indicia

Market Dominant: USPS Marketing Mail

- Eliminated 3-Digit Sort Level
- Eliminates per pound rate between 3.3 and 3.5 ounce
- Increase flats price weight break from 3.3 to 4.0 ounces
- FSS reverts to previous structure

Market Dominant: USPS Marketing Mail Commercial Letters

Type	Current Rates	New Rates	Per Piece Change	% Change
Mixed Origin	\$ 0.291	\$ 0.288	\$ (0.003)	-1.0%
5-Digit Origin	\$ 0.255	\$ 0.251	\$ (0.004)	-1.6%
5-Digit DNDC	\$ 0.220	\$ 0.225	\$ 0.005	2.3%
5-Digit DSCF	\$ 0.211	\$ 0.217	\$ 0.006	2.8%
HD DSCF	\$ 0.164	\$ 0.168	\$ 0.004	2.4%
Saturation Origin	\$ 0.194	\$ 0.185	\$ (0.009)	-4.6%
Saturation DNDC	\$ 0.162	\$ 0.161	\$ (0.001)	-0.6%
Saturation DSCF	\$ 0.151	\$ 0.155	\$ 0.004	2.6%

Market Dominant: USPS Marketing Mail Commercial Flats

Type	Current Rates	New Rates	Per Piece Change	% Change
5-Digit DSCF in FSS	\$ 0.288	\$ 0.335	\$ 0.047	16.3%
5-Digit DSCF not in FSS	\$ 0.333	\$ 0.335	\$ 0.002	0.6%
CR Basic DSCF in FSS	\$ 0.288	\$ 0.252	\$ (0.036)	-12.5%
CR Basic DSCF not in FSS	\$ 0.245	\$ 0.252	\$ 0.007	2.9%
Pure CR DSCF not in FSS	\$ 0.240	\$ 0.232	\$ (0.008)	-3.3%
Pure CR DDU not in FSS	\$ 0.233	\$ 0.221	\$ (0.012)	-5.2%
HD DSCF	\$ 0.192	\$ 0.194	\$ 0.002	1.0%
HD + DSCF	\$ 0.187	\$ 0.174	\$ (0.013)	-7.0%
Saturation DSCF	\$ 0.162	\$ 0.164	\$ 0.002	1.2%
Saturation DDU	\$ 0.153	\$ 0.155	\$ 0.002	1.3%

Market Dominant: Periodicals

- **Outside County – 0.8% increase**
- **Inside County – 1.0% increase**
- **Smaller, low volume pubs will see larger average increase**
- **Larger, heavier publications will see postage decline**

Market Dominant: Extra Services

- Average increase of 2.5%
- PO Boxes – 6.7%
- Certified Mail – 1.5%
- Return Receipt – 2.9%
- Insurance – 0.5%
- COD – 2.5%

Implementation Checklist

Complete as soon as possible:

- Announcement to customers (internal/external)
 - Explanation on impact to business
 - Plan to mitigate rate increase
- Meet with local postal representatives
- Meet with meter/software vendors
 - Dates for update release
 - Testing plans
- Meet with mail center employees
 - Provide training on new rates and forms
 - Review schedule for updates and transition

Implementation Checklist

Complete end-of-day, January 20 or 21, 2017

Upload updates for meters and software

- Test all updates
- Post reminders of new rates
- Replace all printed forms

Complete on January 23, 2017:

- Announcement to customers (internal/external)
- Meet with mail center employees
- Test meters and forms
- Implement quality checks throughout day
- Have manager/supervisor accompany mail to USPS

USPS Resources

- **Postal Explorer (pe.usps.com)**
- **Federal Register notices**
- **DMM Advisory**
(dmmadvisory@usps.com)
- **PCC Insider (pccinsider@usps.com)**

Success – Today & Tomorrow

- Know Your Mail
 - Content
 - Characteristics
 - Categories and quantity
- Continuous review
 - Weekly
 - Monthly
 - Quarterly
- USPS – Use your local resources

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Questions?



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