

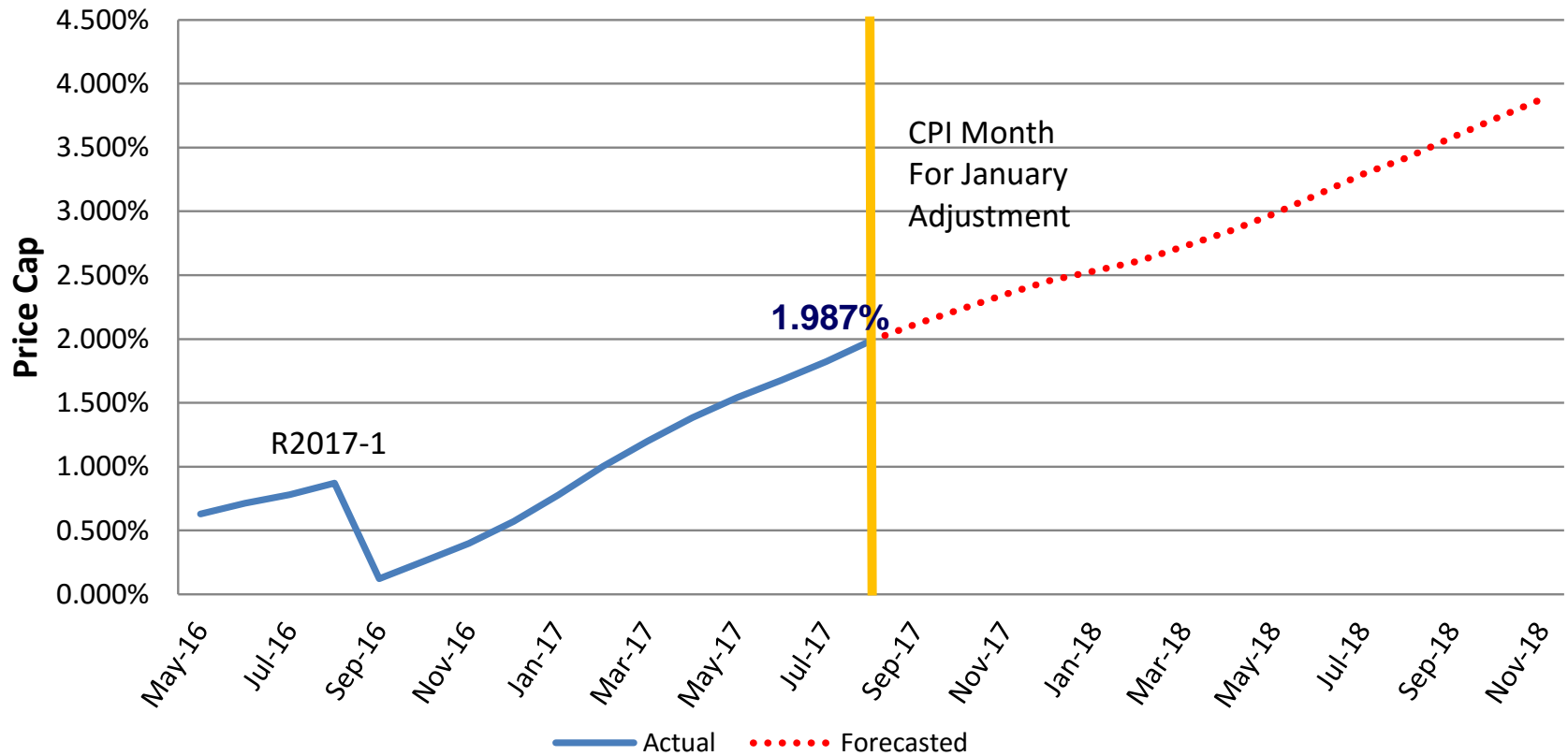
# **Price Change 2018**

**October 2017**

## Agenda

- Overview Market Dominant
  - First-Class Mail®
  - USPS Marketing Mail®
  - Periodicals®
  - Package Services
  - Extra Services
  - Overview Competitive
- Time Line
  - PRC Decision expected Nov 5 for Competitive
  - PRC Decision expected Nov 9 for Market Dominant
  - Implementation Sunday, January 21, 2018

## CPI-U Moving Average for January 2018 Price Change



**Strategy – use 95% of available cap**

## First-Class Mail - ~1.9% overall increase

- **First-Class stamp price moves to 50 cents**

Product	CPI Percent Change
Single-piece Letters & Cards	2.1%
Single-piece Metered	2.2%
Flats	0.4%
Parcels*	N/A
Presort Letters & Cards	1.6%
First-Class Mail International** (includes letters, cards, and flats)	0.0%



\* Moved to Competitive 9/3/2017

\*\* Does not include International Inbound

<b>Key First-Class Mail Single-Piece Prices</b>	<b>Current Price</b>	<b>New Price</b>	<b>Percent Change</b>
Stamp Price 1 Oz.	0.49	0.50	2.0%
Single Piece Additional Ounce	0.21	0.21	0.0%
Meter Price 1 Oz.	0.46	0.47	2.2%
Single-Piece Flats 1 Oz.	0.98	1.00	2.0%
Single-Piece Cards	0.34	0.35	2.9%

<b>Key First-Class Mail Bulk Prices</b>	<b>Current Price</b>	<b>New Price</b>	<b>Percent Change</b>
Mixed AADC Automation Letters	0.423	0.424	0.2%
AADC Automation Letters	0.403	0.408	1.2%
5-Digit Automation Letters	0.373	0.378	1.3%
Mixed ADC Automation Flats	0.750	0.705	-6.0%
3-Digit Automation Flats	0.630	0.593	-5.9%
5-Digit Automation Flats	0.446	0.474	6.3%

**Note: IMb discount remains at \$0.003.**

## USPS Marketing Mail

~1.9% overall increase

Product	CPI Percent Change
Letters	2.0%
Flats	2.1%
Carrier Route Letters, Flats, and Parcels	2.0%
High Density / Saturation Letters	2.4%
High Density / Saturation Flats and Parcels	1.1%
Parcels	2.8%
EDDM-Retail	0.6%

Note: IMb discount remains at \$0.001.

Incent Pure CR Pallets by prioritizing pure pallets during preparation

Key USPS Marketing Mail Commercial Origin Prices	Current Price	New Price	Percent Change
Letters (5-Digit Auto entered at Origin)	\$0.251	\$0.251	0.00%
Flats (5-Digit Auto Flat entered at Origin)	\$0.387	\$0.393	1.55%
Carrier Route (Flat entered at Origin)	\$0.290	\$0.295	1.72%
High Density/Saturation Letters (Saturation Letter entered at Origin)	\$0.186	\$0.186	0.00%
High Density/Saturation Flats (Saturation Flat entered at Origin)	\$0.218	\$0.219	0.46%
EDDM-Retail	\$0.177	\$0.178	0.56%



<b>USPS Marketing Mail Nonprofit Origin Prices</b>	<b>Current Price</b>	<b>New Price</b>	<b>Percent Change</b>
Letters (5-Digit Auto entered at Origin)	\$0.134	\$0.136	1.49%
Flats (5-Digit Auto Flat entered at Origin)	\$0.244	\$0.227	-6.97%
Carrier Route (Flat entered at Origin)	\$0.209	\$0.213	1.9%
High Density/Saturation Letters (Saturation Letter entered at Origin)	\$0.111	\$0.111	0.00%
High Density/Saturation Flats (Saturation Flat entered at Origin)	\$0.136	\$0.136	0.00%

Marketing Mail Comm. Auto Letters	Current Price	New Price	\$ Difference	% Difference
Mixed Origin	\$0.288	\$0.287	-\$0.001	-0.35%
5-Digit Origin	\$0.251	\$0.251	\$0.000	0.00%
5-Digit DNDC	\$0.225	\$0.227	\$0.002	0.89%
5-Digit DSCF	\$0.217	\$0.220	\$0.003	1.38%
HD DSCF*	\$0.168	\$0.172	\$0.004	2.38%
Saturation Origin	\$0.186	\$0.186	\$0.000	0.00%
Saturation DNDC	\$0.162	\$0.164	\$0.002	1.23%
Saturation DSCF	\$0.155	\$0.158	\$0.003	1.94%

Marketing Mail Nonprofit Auto Letters	Current Price	New Price	\$ Difference	% Difference
Mixed Origin	\$0.171	\$0.172	\$0.001	0.58%
5-Digit Origin	\$0.134	\$0.136	\$0.002	1.49%
5-Digit DNDC	\$0.108	\$0.112	\$0.004	3.70%
5-Digit DSCF	\$0.100	\$0.105	\$0.005	5.00%
HD DSCF*	\$0.087	\$0.090	\$0.003	3.45%
Saturation Origin	\$0.111	\$0.111	\$0.000	0.00%
Saturation DNDC	\$0.087	\$0.089	\$0.002	2.30%
Saturation DSCF	\$0.080	\$0.083	\$0.003	3.75%

Marketing Mail Comm. Auto Flats	Current Price	New Price	\$ Difference	% Difference
5-Digit DSCF	\$0.335	\$0.340	\$0.005	1.49%
		\$0.083	\$0.083	
C-R Basic DSCF	\$0.252	\$0.257	\$0.005	1.98%
		\$0.020	\$0.019	
Pure C-R DSCF*	\$0.232	\$0.238	\$0.006	2.59%
	\$0.011	\$0.011		
Pure C-R DDU*	\$0.221	\$0.227	\$0.006	2.71%
HD DSCF (125 pieces)	\$0.194	\$0.194	\$0.000	0.00%
HD+ DSCF (300 pieces)	\$0.174	\$0.173	-\$0.001	-0.57%
Saturation DSCF (90%)	\$0.164	\$0.165	\$0.001	0.61%
Saturation DDU (90%)	\$0.155	\$0.156	\$0.001	0.65%

<b>Marketing Mail Pound-Rate Commercial Flats Rev/Pc – 8 oz. Auto Flats</b>	<b>Current Rev/Pc*</b>	<b>New Rev/Pc*</b>	<b>\$ Difference</b>	<b>% Difference</b>
<b>5-Digit DSCF</b>	\$0.508	\$0.511	\$0.003	0.59%
<b>C-R Basic DSCF</b>	\$0.394	\$0.393	-\$0.001	-0.25%
<b>Pure C-R DSCF</b>	\$0.374	\$0.374	\$0.000	0.00%
<b>Pure C-R DDU</b>	\$0.352	\$0.352	\$0.000	0.00%
<b>HD DSCF</b>	\$0.294	\$0.293	-\$0.001	-0.34%
<b>HD+ DSCF</b>	\$0.274	\$0.272	-\$0.002	-0.73%
<b>Saturation DSCF</b>	\$0.264	\$0.264	\$0.000	0.00%
<b>Saturation DDU</b>	\$0.246	\$0.246	\$0.000	0.00%

**\*Current and New Revenue per piece rounded to 3 decimal points**

<u>Periodicals</u>	CPI Percent Change
Outside County	1.93%
Inside County	1.84%

- The majority of the large circulation publications will pay between 1.0 and 1.9 percent more in postage from this price change.
- On average, heavier weight mailers will also see their postage increase by less than CPI.
- On average, large Nonprofit mailers will see changes in their prices from 1.3 percent increases to declines of 1.4 percent.
- On average, smaller, low circulation publications (less than 150 thousand per issue) will see above average increases due to small circulation, lighter weight pieces and a higher percentage of non-machinable pieces.
- Ride Along Prices changed by \$0.001 or 0.6%

## Package Services - ~2.0% overall increase

Product	CPI Percent Change
Media Mail/Library Mail	1.99%
Alaska Bypass	1.31%
Bound Printed Matter	
Flats- Overall	2.09%
Origin – Carrier Route	-1.98%
DSCF – Carrier Route	3.83%
DDU – Carrier Route	6.35%
Parcels - Overall	1.92%
Origin - Basic Presort	-3.04%
DSCF - Basic Presort	2.33%
DDU - Basic Presort	4.66%

Note: Will allow co-mail up to 24 ounces with existing Periodical and Marketing Mail co-mail pools.

## Extra Services - ~2.0% overall increase

Product	CPI Percent Change
PO Boxes™	1.9%
Certified Mail®	3.0%
Return Receipt	0.7%
Certificate of Mailing	3.2%
Address Correction Service	2.5%
All Other	1.7%



Competitive Prices	Jan. 2018
Products	% Change
	0.8% Retail
Priority Mail	6.2% Com. Base**
	6.1% Com. Plus**
	3.9%
Priority Mail Express	3.9%
Parcel Select Heavyweight	4.9%
Parcel Select Lightweight (PSLW)	7.0%
First-Class Package Service (FCPS)	3.9%
Retail Ground	3.9%
Parcel Return Service (PRS)	4.9%
International	3.9%
FCM Retail Parcels	14.5%

\* Estimated.

\*\* Reduces Commercial Base discount to 9.4% off Retail & Commercial Plus discount to 12.7% off Retail.

## Resources

### Online

- Postal Explorer® — [pe.usps.com](http://pe.usps.com)
  - Current and new prices
    - Including downloadable price files in excel and CSV formats
  - *Federal Register* notices
  - *Domestic Mail Manual & International Mail Manual*

DMM® Advisory — posted on Postal Explorer, also special e-mail updates



**Questions?**