



## In this issue ...

**USPS Cancels Planned January Price Increase.** Good news, for now. *Page 1.*

**USPS Ends Consolidator NSAs.** The USPS wants to discourage dropshipping so it can haul the mail itself and fill its trucks. *Page 2.*

**New Machine, Familiar Problems.** Poor execution, poor training, and poor management seem to be a theme. *Page 3.*

**PO Boxes: Not Immune to Mismanagement.** There's that theme again. *Page 4.*

**Consider Direct Mail Postcards** A mailing veteran suggests considering a familiar form of mail. *Page 5.*

**Website Offers In-Depth Analysis of USPS Plan.** *Save the Post Office* digs into the RTO initiative. *Page 6.*

**Bill Filed to Amend PMG Selection.** DeJoy would still be safe. *Page 8.*

**Insurance Fraud Scheme Unraveled.** Clever but still caught. *Page 9.*

**A Voting-by-Mail Irony.** Assuming problems that may not happen. *Page 9.*

**Volume "In Measurement" Impacted by Exclusion Criteria.** Excluded volume is a significant portion of total mail. *Page 10.*

**All the Official Stuff.** *Federal Register* notices, *Postal Bulletin* articles, *DMM Advisory* and *Industry Alert* postings. *Page 11.*

**USPS FINAL RULE – OEL and Carrier Route Information Lines.** *Page 14.*

**Calendar.** Upcoming meetings, events, etc. *Page 14.*

## USPS Cancels Planned January Price Increase

In an unexpected announcement late Friday, September 20, the Postal Service announced that it will not be increasing prices for market-dominant products next January as had been forecast. In its press release and concurrent *Industry Alert*, the agency stated:

"A recommendation by Postmaster General Louis DeJoy not to raise prices in January 2025 for Market Dominant products, which includes First-Class Mail, was accepted by the Governors of the United States Postal Service. Accordingly, the price of a stamp to mail a 1-once single-piece First-Class letter will not increase.

"The Postal Service's operational strategies are designed to boost service reliability, cost efficiency, and overall productivity.

"Our strategies are working, and projected inflation is declining," said Postmaster General DeJoy. "Therefore, we will wait until at least July before proposing any increases for market dominant services."

"The Postal Service remains committed to continued cost saving measures and to keeping its products and services affordable. Only a handful of countries have a lower price for a domestic single-piece letter.

"Lastly, the Postal Service continues to deliver on the tenets of the Delivering for America 10-year plan, while executing our public service mission – to provide a nationwide, integrated network for the delivery of mail and packages at least six days a week – in a cost-effective and financially sustainable manner over the long term, just as the US Congress intended and the law requires."

### Reading the tea leaves

Though the official statement contained plenty of the usual spin, it offered no insight into why, just three weeks before it would have filed its proposed rate hike with the Postal Regulatory Commission, there was a pause in DeJoy's previously-announced schedule of semi-annual price increases.

Officially, only the Governors of the Postal Service can approve filing for higher prices for market-dominant products, though that is widely believed to be simply the formal approval for what postal executives bring them. In this situation, however, and given some governors' expressions of

caution after last August's board meeting, it's not beyond possibility that DeJoy's "recommendation" was the public result of closed-door urgings by the governors. Not being a person to easily accept redirection, it's unlikely that DeJoy changed course on his own initiative.

The governors know the financial and volume data, they know Congressional sentiment, and they're aware of negative publicity over poor service, issues involving DeJoy's changes to the processing and delivery networks, and the agency's readiness for the upcoming election season.

No matter how much the USPS tries to manage the information reaching the governors, they're not sequestered. In turn, breaking their usual accession to DeJoy's wishes, they might have concluded that a pause was needed, if for no other reason that to generate some positive publicity.

### Save the champagne

Regardless, though not having to face a price increase in January is welcome, it needs to be offset by some other facts that are far from good news.

First, the size of the January increase would have been relative small – only 1.532% – and CPI-only, based on the six-month interval since the preceding increase.

Second, as of the most recent data released by the Bureau of Labor Statistics, the *annualized* CPI was 3.179%; that figure will change over the next six months when the USPS files in April 2025 for a July increase.

Finally – and worst of all – the "adders" will be available for the July increase. Though the 2% "non-compensatory" supplement only applies to Periodicals, all will endure the "density" and "retirement" adders that, last July, together added another 6.132%. Their 2025 value won't be known until early next year but, regardless, the total of CPI and the "adders" might be a sizable figure – far from good news.

Ratepayers can only wait to learn what the Postal Service will have in store for them in April.

## USPS Ends Consolidator NSAs

According to a press release and an *Industry Alert* issued September 11, the Postal Service

“... has and will enter into new agreements with package consolidator companies consistent with its current business strategy, [under which] the Postal Service will no longer offer discounted rates through Negotiated Service Agreements (NSAs) for packages entered by consolidators at Post Office Delivery Units.”

Though the policy change was described as “a new strategic approach with respect to its contracts with package consolidator companies,” the USPS also stated that

“These contracts no longer reflect operational and financial realities in today’s market, the Postal network, or USPS’ refreshed product offerings.”

The release included a statement by Postmaster General Louis DeJoy:

“As we engage in the process of modernizing our network, we are also changing our product and pricing strategies to ensure that they are aligned with our operating model and goals. As one part of this new approach, we have decided that it is appropriate to make changes to how we utilize NSAs in the provision of our Parcel Select product. In that regard, to more effectively utilize our network and realize enhanced economies, we no longer intend to provide discounted rates through NSAs that incent parties to aggregate mail volume from multiple shippers and to bring such volume directly to our delivery units.

“It’s challenging for us to justify entering into NSAs that incentivize bypassing our transportation and processing network, while leaving us responsible for managing the final mile, which is often the most resource-intensive part of the delivery process. To continue this practice is not consistent with our business strategy to create an efficient network and grow our own end-to-end ground package product (USPS Ground Advantage) for shipping customers.”

### Translation

The Postal Service didn’t offer any explanation for how ending consolidators’ access to destination entry unit drop-shipment discounts would achieve “enhanced economies,” let alone retain those shippers’ business, but many observers quickly detected a few familiar themes.

First, the PMG isn’t a worksharing enthusiast. Whether or not out of sympathy with the postal labor unions who want to in-source the worksharing activities of commercial mail

producers, moving the entry of parcels upstream generates the workload needed to justify current and forecast career staffing levels and network facility plans.

However, given that a destination entry discount passes through to the ratepayer most if not all of the processing and transportation costs thus avoided by the USPS, ending the mailer behavior that justified the discount would mean the Postal Service now has to do the work (and absorb the cost) that the worksharing activity would have avoided. How this trade-off would yield “enhanced economies” is unclear.

Therefore, it’s also unclear why it’s not in the interests of the USPS to have “parties ... aggregate mail volume from multiple shippers and to bring such volume directly to our delivery units” or, conversely, why ending the practice is good for the agency’s finances or operations.

Second, given DeJoy’s fixation on “full trucks,” moving the entry of parcels upstream will enable a higher probability of greater vehicle utilization on trips from processing centers to delivery units. Using smaller vehicles, more appropriate for the volume of mail needing transportation, seems of less interest than looking for ways to fill the trucks now being used.

Finally, ending the discount would, presumably, result in greater revenue from the same volume of parcels, if ...

The issue there, obviously, is whether shippers and consolidators will find it in *their* best interests to behave as the PMG wants. Like the consequences for the USPS, the loss of discount might be substantially offset by the lower cost of a single drop at a P&DC (or LPC) compared to stopping at DDUs. DeJoy hasn’t barred depositing parcels at a DDU, and that still remains a worthwhile option to enable faster delivery.

As far as DeJoy’s complaint about being left with managing the final mile, the delivery of what the consolidators would have entered – or might still – will not affect the volume of mail on a delivery route or the cost of providing the service. Regardless of the point of entry, by whom, or at what rate, it all ends up with the same carrier.

Industry observers were puzzled by the announcement, unable to discern the logic underling the proffered explanation, beyond that it was what DeJoy wanted to do.

## New Machine, Familiar Problems

A widely-redacted audit report, titled *Planning and Deployment of the Matrix Regional Sorter*, issued September 5 by the USPS Office of Inspector General, focused on another example of the agency’s recent shoot-ready-aim behavior.

### Background and findings

As the OIG described the machine:

“... The MaRS is a package sorting machine designed to increase package processing capacity and efficiency while using less floor space, a critical factor to the success of implementing the Postal Service’s network transformation and increasing their share in the growing package market.

“The Postal Service spent over [redacted] to design and deploy the first two MaRS from concept to testing to meet the needs of its changing network. The Postal Service expects the MaRS to improve efficiency through labor savings by consolidating processing

operations and processing up to [redacted] pieces per hour. This rate is over eight times greater than what other comparable machines in the Postal Service’s inventory are capable of processing. The Postal Service used contractors to build the MaRS and provide initial operational, maintenance, and training support. The first MaRS started operations at the Atlanta and Chicago RPDCs in November 2023. The Postal Service expects to save over \$200 million in labor over a [redacted] for each facility where a machine is deployed.

“The MaRS is a large machine taking up approximately [redacted] square feet., or the size of [redacted]. While this is extremely large, the Postal Service noted in its analysis that it would take eight of the next comparable high-capacity package machines using over two times the square footage to match the MaRS capacity. The MaRS works off a large conveyor system that consists of [redacted] where mail can be inducted, and multiple lanes that

travel via a system of belts to sort packages based on their destination. Mail enters the machine directly from the trailer docks, travels a system of conveyor belts, enters a scanning tunnel, and finally gets routed to a destination bin to be transported or sent to additional processing operations.”

- **“Finding #1: Planning and Deployment.** Generally, the Postal Service quickly and effectively executed the planning and deployment of the MaRS to help meet its package sorting demands at the Chicago and Atlanta RPDCs. However, the Postal Service did not adequately plan and prepare for Postal Service maintenance personnel to accept maintenance responsibility from contractors, didn’t define maintenance tasks, and overestimated the achievable efficiency of the machine. ... We found that the Postal Service did not adequately plan to take over maintenance of the MaRS from contractors by the end of the contract in March 2024. Postal Service personnel did not shadow the contractors, as expected, to gain the knowledge and skills needed to take over the MaRS maintenance responsibilities. ...

“To cover the shortfall, the Postal Service extended the MaRS maintenance contract to September 2024, with the possibility of additional extensions. Extending the contract for maintenance of the MaRS will result in the Postal Service incurring additional, unplanned costs totaling about \$2.2 million. ...

“The Postal Service did not define specific maintenance tasks to be performed on the MaRS, how often maintenance should be performed, or create instructions on how to maintain the MaRS. ... We also observed indicators that basic maintenance was not being performed, such as dirt/debris being left on the machine and scanners.



“These issues occurred due to lack of management oversight. Postal Service management did not verify the contractor and its own maintenance staff were performing their assigned maintenance tasks on the MaRS. Additionally, the contractor stated that management did not always honor the maintenance windows.

“The Postal Service is not able to consistently achieve its expected processing efficiency of the MaRS. ... The Postal Service has been unable to meet the expected rate because the rate was calculated assuming mail would constantly flow to the machine and be evenly distributed ... . Additionally, we noted conveyor belts get overloaded with mail, which can negatively impact the processing rate as it takes time to clear and process the packages on the congested belts.”

- **Finding #2: MaRS Performance Resulting in Damaged, Delayed and Lost Packages.** The operation of the new MaRS created [redacted] damaged packages. Specifically, we found damaged packages on the MaRS and significant debris on and around the MaRS. “Management on site indicated they do not know the root cause of why so much mail was damaged. However, we observed the MaRS at the Atlanta and Chicago RPDCs and noted overcrowded conveyor belts ... that increased the chances of packages being damaged. We found employees inducted mail on the MaRS that has a higher chance of being damaged ... .
- “Currently, the Postal Service does not have a process to track the number of mailpieces damaged by mail processing equipment;



Atlanta and Chicago RPDCs, compared to the same period last year.



therefore, neither the OIG nor the Postal Service is able to determine the exact number of packages damaged on the MaRS. We did note that from January to May 2024, the number of hours spent on rewrapping mail increased by 61% at the

“... We found the MaRS conveyor belts frequently got congested with packages. Further, we observed mail continuing to flow into congested points creating build up on the machine, causing packages to get crushed or fall off the machine. The Postal Service set up netting in some high-risk areas to catch falling packages, but the netting was not always adequate to hold the

amount of mail falling out. Additionally, we found areas where packages were overflowing and falling, but no netting was in place, creating a significant safety hazard for employees below. ... These issues occurred due to a lack of mail flow management on the MaRS and failure to stop the machine or communicate to stop the machine when necessary. ... However, we found there is no communication plan in place that would inform all MaRS operators when a downstream issue occurs that would require them to stop or pause operations.”

- **“Finding #3: Rehandled Mail.** The Postal Service can improve efficiency and reduce the number of mailpieces being resorted on the MaRS. ... Mailpieces that are rerun on the MaRS are at risk of getting “stuck in a loop” on the MaRS. In March 2024, [redacted] packages were sorted 11 or more times while stuck in a loop and recirculating for three or more days on the MaRS. This included [redacted] mailpieces that circulated the Atlanta MaRS over 100 times and for over 30 plus days.

“The resorted mail was due in part to belts getting overloaded and mailpieces stacking on top of one another, causing the machine scanners to not be able to read the barcodes. ...

“Another reason mail was resorted on the MaRS was due to employees loading mail onto incorrect conveyor belts causing the mail to have to be resorted. ... Employees in the area stated that not everyone was trained to know what conveyor was for mail to Atlanta versus mail from Atlanta.”

- **“Finding #4: Lack of Local Management Oversight.** ... We found employees at the Chicago and Atlanta RPDCs incorrectly processed Priority Mail Express using the MaRS. The employees should have separated out the Express mail before entering it on the machine as these packages require a separate sorting process to ensure the express service is met.

“Additionally, during our observations we identified mail scattered around the MaRS and laying on the floor after operations have ended at both the Atlanta and Chicago RPDCs. We found packages under the scanners, under the platform on the workroom floor, and stuck in the structure of the machine. ... We



found packages sitting under the machine for many days before being reprocessed and delivered.

“These issues occurred due to insufficient staff training and a lack of management oversight. Employees putting mail onto the conveyor system did not receive the training necessary to fully understand the requirements for removing mail that cannot or should not be sorted by the MaRS. ...”



The OIG offered nine recommendations, with which “management generally agreed.”

### Observations

After reading enough OIG reports, a theme starts to emerge: a lack of training for employees and managers, inadequate supervisory staffing, and poor management oversight.

As noted earlier, this is an extension of the Postal Service’s recent shoot-ready-aim approach to putting new operations (machines or facilities) in place. Getting the assignment done fast, but without adequately considering corollary requirements – like training and staffing – has become the hallmark of Postmaster General Louis DeJoy’s hasty implementation of wholesale changes to the Postal Service’s networks.

Though DeJoy treats any criticism as hostility, he would help his cause by ensuring that whatever he wants done is executed in a way that avoids the needless problems repeatedly being found easily by the OIG.

## PO Boxes: Not Immune to Mismanagement

The Postal Service offers post office box service to customers at retail facilities nationwide, generating \$1.5 billion in revenue. However, as the USPS Office of Inspector General found in a recent audit, the administration of the service falls short in many locations. As the OIG stated in *Service Optimization: Post Office Boxes*, a report released September 6:

“Our objective was to assess the management of the Postal Service’s PO Box program, including growth strategies. We reviewed Postal Service policies, growth strategies, and performance data, and observed PO Box operations at 12 retail units nationwide.”

As background, the OIG stated:

“... The Postal Service manages 21 million PO Boxes at over 30,000 facilities throughout the country. PO Boxes come in five sizes and rental rates and service offerings vary by facility. Most customers prepay for PO Boxes at 3-, 6-, or 12-month increments.

“Postal Service facilities providing rentable PO Boxes are classified as either ‘competitive’ or ‘market dominant’ in accordance with Postal Regulatory Commission (PRC) criteria on the ‘availability of competitive alternatives in the nearby geographic area’ and other considerations. PO Boxes in the competitive fee group generally have higher rates but offer more enhanced services than those in the market dominant group. For example, customers paying competitive PO Box fees can receive packages from merchants that require a street address (and not a standard PO Box address).

“... The Postal Service has policies and processes for PO Box program management, oversight, and performance, including the timely availability of mail for PO Box customers and revenue collection controls. Headquarters, Area, and District staff have general program oversight and strategic responsibilities, such as determining pricing or revenue growth opportunities. ...

“Postmasters or other local Postal Service staff manage day-to-day PO Box operations, service, and customer interactions. This includes determining whether staff are conducting PO Box up-time scans and meeting targeted delivery times; completing annual audits and semi-annual overflow reviews; collecting reactivation and renewal fees; and following PO Box closure procedures. ...”

- **“Finding #1: Inadequate PO Box Program Oversight.** Management oversight of key PO Box program components was inadequate. Nationally, in FY 2023, 84% of districts did not meet PO Box delivery timeliness targets; 31% of units did not complete required annual PO Box audit reviews; and staff failed to collect

\$5.2 million in unpaid reactivation fees. Locally, our visits to 12 units corroborated these issues and identified others, such as staff not completing required PO Box closure procedures, up-time scans, or semi-annual overflow mail reviews. Continued oversight shortcomings will negatively impact PO Box program finances, operations, customer service, and the Postal Service’s brand.

Organizational Level	Reactivations	Reactivations With \$25 Fee Collected	Reactivations With \$25 Fee Not Collected	Estimated Revenue Impact of \$25 Fee Not Collected
Atlantic	179,705	129,887	49,818	\$1,245,450
Central	131,208	81,657	49,551	\$1,238,775
Southern	271,306	226,779	44,527	\$1,113,175
Western-Pacific	215,538	151,950	63,588	\$1,589,700
Nationwide	797,757	590,273	207,484	\$5,187,100

“We reviewed national Postal Service FY 2023 PO Box data and found the following concerns:

- 84% of districts did not meet PO Box delivery timeliness targets.
- Almost a third of units (31%) did not complete required annual PO Box audit reviews. Of the 10,051 units that did not complete the FY 2023 audit, 5,152 units (51%) also had not completed an audit in FY 2022. Staff did not collect about \$5.2 million in unpaid reactivation fees; instead, **these fees were waived.**

“Our visits to 12 units corroborated these issues — for example, not meeting timeliness targets, incomplete audit reviews, and failing to collect unpaid reactivation fees — but also identified others related to staff not completing required PO Box closure procedures, up-time scans, or semi-annual overflow mail reviews, as follows:

- **PO Box closure procedures.** Staff at 10 of 12 units did not complete PO Box closure procedures, as required. Some units either (a) provided service to PO Box customers not current on their payments, or (b) did not provide service to PO Box customers to active boxes.



- **PO Box up-time scans.** Staff at each of the 12 units were not completing all required up-time scans (used to assess delivery timeliness). Notably, the Highland Springs Branch and Richmond – Montrose Height Station locations did not record a PO Box up-time scan for the two-month period between May and June 2024.
- **Semi-annual overflow mail review.** Staff at each of the 12 units did not complete any of the required semi-annual overflow mail reviews. We also observed overflow conditions at 10 of the sites visits. Some of the overflow boxes we observed had mail postmarked more than 30 days prior to our visit.
- **“Finding #2: PO Box Program Growth Strategies.** The Postal Service’s recent *Get-It-Right* strategies improved and enhanced PO Box revenue and contribution, but future revenues and PO Box utilization may be at risk based on price increases and changing customer preferences. PO Box revenues increased by more than \$250 million (21%) between FYs 2021 and 2023, largely due to Postal Service decisions to charge higher rental prices (with regulatory approval) at select units.

Fiscal Year	Market Dominant	Competitive	Total
2021	43%	45%	44%
2022	45%	49%	47%
2023	45%	51%	49%

“The revenue increases reflect the realization of the Postal Service’s *Get-It-Right Initiative* goals. However,

the Postal Service’s pricing strategy may have put downward pressure on PO Box utilization rates. Nearly 49% of all PO Boxes nationwide were vacant in FY 2023, and vacancy rates slightly increased each year, particularly for PO Boxes in the competitive category.

“Postal Service officials recognized the negative pressure that rising prices — along with changing customer preferences and other external factors — can have on PO Box utilization. The Postal Service also surveyed active and inactive PO Box customers in August 2023 to capture insights into the PO Box program. Inactive customers responded that price increases and changing customer needs drove abandonment of PO Boxes and that those who switched to competitors’ private mailboxes were influenced by convenience, better pricing, and discounts. Active PO Box customers responded that better communication of PO Box features and benefits could help drive PO Box rentals and that they value the ability to receive packages from third party shippers at their PO Box and 24-hours access. ...”

The OIG offered two recommendations:

- “... implement mechanisms to better communicate and reinforce Post Office Box program priorities and oversight requirements, including performing up-time scans, completing annual audit and semi-annual overflow reviews, collecting reactivation fees, and completing box closures;
- “... develop a comprehensive, strategic assessment of the Post Office Box program, which would include analysis of how key program components, such as prices, utilization, service, and marketing, impact on current and prospective customer segments and demand across the country.”

USPS management agreed with finding one but disagreed with finding two, and agreed with both recommendations. It’s concerning that another audit by the OIG has found yet another example of poor USPS administrative management over a fundamental service with relatively straightforward requirements.

## Consider Direct Mail Postcards

What do you mean the post office won’t let me mail it this way? Almost every day we get this question from a client. Since the post office has made mailing very complicated, there are many times that a design element causes a mailing to go at a higher rate of postage. This can be frustrating as well as expensive.

In order to help you stay away from potential issues, here are some things to keep in mind as you are preparing a direct mail campaign. Let’s start with Postcards:

1. **Postcard size is 3.5 x 5 to 6 x 9**, anything larger is considered to be in the letter category. *Go figure! The post office saying that a 6 x 11 postcard is not really a postcard, but a letter, who thinks of these rules?*
2. **Paper stock must be a minimum of .007 or, for the 6 x 9 size, .009 thick**, anything less is not mailable unless you put it in an envelope. *In this case the rule makes sense because when the paper is too thin the postal machines rip them up. Better to go with a thicker stock that won’t look like someone took a bite out of it before delivery.*
3. **Keep your aspect ratio between 1.3 and 2.5.** In order to calculate the aspect ratio you start by looking at the mail panel, then take the length of the postcard and divide it by the height. *We are told that the reason for this rule is machine compatibility, when the postcard is short and long it does not run through the equipment correctly causing jams and again torn postcards. We don’t want that!*
4. **There are two options for addressing a postcard:**  
**Barcode in the address block:** 4 x 2 clear area, no varnish, UV coating, text, or images for the address block. The block needs to be a minimum .5 inches from the right edge and .625 inches

From the bottom edge. The block can be no higher from the bottom of the mailer than 3.5 inches. Lastly the address must remain at a minimum distance from graphics or text of .125 inches.

**Barcode clear zone addressing:** The barcode clear zone is the bottom 5/8 of the postcard and must be free of all color, text and images. Next the address block must be a minimum .5 inches from the right edge and minimum of .625 inches from bottom edge. The block can be no higher from the bottom of the mailer than 3.5 inches. Lastly the address must remain at a minimum distance from graphics or text of .125 inches.

*These requirements are meant to keep the address in the OCR (Optical Character Reader) read area of the postal equipment. Honestly, the current equipment has more read area than this, but getting the post office to change rules in our favor does not happen!*

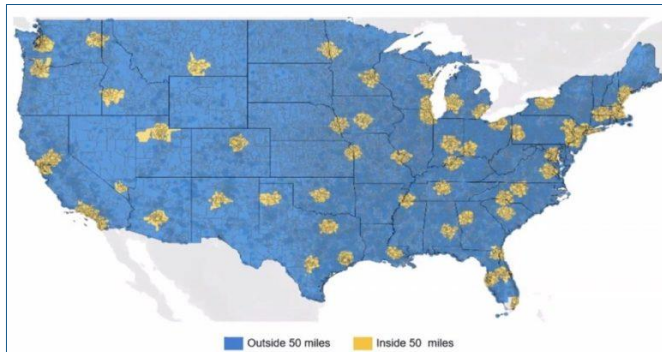
Your best bet is to design your postcard and then send a pdf to your direct mail provider, to have them find any problems with the design. They can help to make sure you are automation compliant and save on postage.

As you are going through the process, do not let it stop your creativity. It is the unique and creative pieces that get the recipients attention and increase your ROI. Do not let these regulations limit your design. There are plenty of ways to create postcards that stand out and get attention!

This article was provided by long-time colleague Summer Gould, formerly of Eye/Comm, now an account executive with Neyenesch Printers, San Diego (CA). She may be contacted at [summer@neyenesch.com](mailto:summer@neyenesch.com).

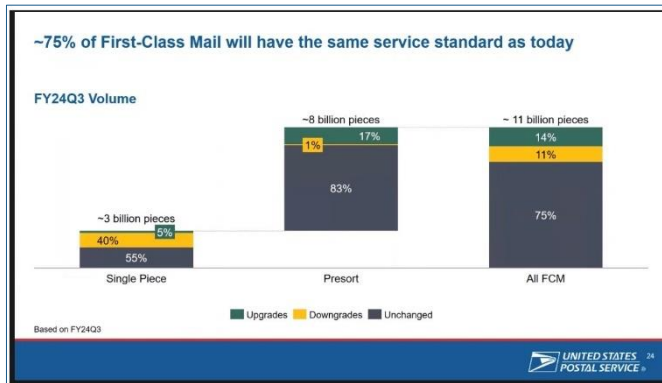
## Website Offers In-Depth Analysis of USPS Plan

A September 17 posting by *Save the Post Office* examined the real-world consequences of the Postal Service's plan to curtail afternoon collections at post offices that are more than fifty miles from a regional processing and distribution center. The scale of that change was starkly depicted by a map provided by the USPS during a recent teleconference.



Though the Postal Service pats itself on the back for the greater “efficiency” enabled by its Regional Transportation Optimization plan, as well as its environmental benefit – less driving = less emissions – it sidesteps the issue of significantly decreased service for residents served by most post offices. Without going into detail, the USPS notes that some post offices will be exempted from the rule “under certain circumstances based on operational or business considerations.” It may not be far off to conclude that such offices would provide a “full truck” of mail.

Overlooking what NDC and SCF entry already enable, the agency claimed that mail entered at an RPDC would move faster than current standards, a benefit not afforded mail from beyond the fifty-mile limit. A chart (below) the USPS provided showed the winners (green) and losers (yellow), almost all of whom would be retail customers; bulk (presorted) First-Class mailers are usually within the fifty-mile limit.

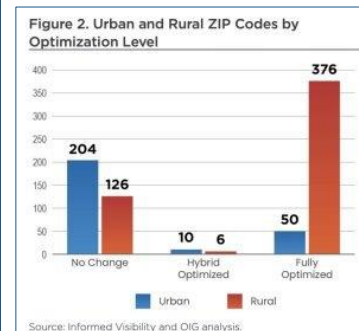


By focusing on the potential for “upgraded” service for some mail, and the potential cost savings and “efficiency” it hopes to enjoy, the USPS tries to distract uninformed citizens and the often equally-uninformed general media from the fact that about 74% of the nation’s post offices, and about 47% of the nation’s population, will be impacted by the service *downgrade* resulting from RTO implementation.

A chart posted by *Save the Post Office* illustrates how this sheep-and-goats split plays out on a state-by-state basis:

State	Total POs	POs >50 miles	% >50 miles	Population	% of pop. >50 mi
<b>Nation</b>	<b>30,812</b>	<b>22,735</b>	<b>74%</b>	<b>327,529,165</b>	<b>47%</b>
Alabama	586	531	91%	4,997,651	88%
Arizona	277	200	72%	7,081,046	35%
Arkansas	617	595	96%	3,006,627	98%
California	1,676	904	54%	39,454,173	39%
Colorado	449	336	75%	5,723,590	41%
Connecticut	311	208	67%	3,605,330	65%
Delaware	68	40	59%	982,285	44%
Dist. of Columbia	55		0%	683,154	0%
Florida	799	463	58%	21,336,314	45%
Georgia	733	569	78%	10,625,639	59%
Idaho	238	196	82%	1,811,379	48%
Illinois	1,345	955	71%	12,821,782	28%
Indiana	728	575	79%	6,751,340	60%
Iowa	848	720	85%	3,179,549	69%
Kansas	599	549	92%	2,931,950	66%
Kentucky	692	585	85%	4,480,841	65%
Louisiana	507	419	83%	4,656,637	78%
Maine	434	323	74%	1,356,981	50%
Maryland	476	247	52%	6,148,152	27%
Massachusetts	601	164	27%	6,991,492	17%
Michigan	915	671	73%	10,062,493	42%
Minnesota	796	616	77%	5,671,063	40%
Mississippi	425	403	95%	2,966,926	91%
Missouri	926	754	81%	6,141,739	48%
Montana	317	295	93%	1,078,718	83%
Nebraska	488	428	88%	1,952,196	55%
Nevada	130	95	73%	3,059,323	30%
New Hampshire	235	211	90%	1,372,217	75%
New Jersey	707	272	38%	9,234,024	33%
New Mexico	321	269	84%	2,107,693	56%
New York	1,866	1,235	66%	20,114,745	31%
North Carolina	846	657	78%	10,438,221	62%
North Dakota	300	277	92%	772,299	76%
Ohio	1,138	872	77%	11,769,923	56%
Oklahoma	585	508	87%	3,948,112	64%
Oregon	378	292	77%	4,207,044	53%
Pennsylvania	1,819	1,031	57%	12,970,650	37%
Rhode Island	80	64	80%	1,091,969	70%
South Carolina	408	320	78%	5,078,903	72%
South Dakota	317	317	100%	880,670	100%
Tennessee	594	462	78%	6,872,894	58%
Texas	1,685	1,273	76%	28,862,001	42%
Utah	199	135	68%	3,229,763	24%
Vermont	270	270	100%	641,637	100%
Virginia	915	725	79%	8,511,662	60%
Washington	544	338	62%	7,617,374	38%
West Virginia	670	658	98%	1,800,667	97%
Wisconsin	753	562	75%	5,871,677	54%
Wyoming	146	146	100%	576,650	100%

(There was no information provided by the USPS about if or how the RTO plan would affect Alaska, Hawaii, Puerto Rico, or other offshore places served by the USPS.)



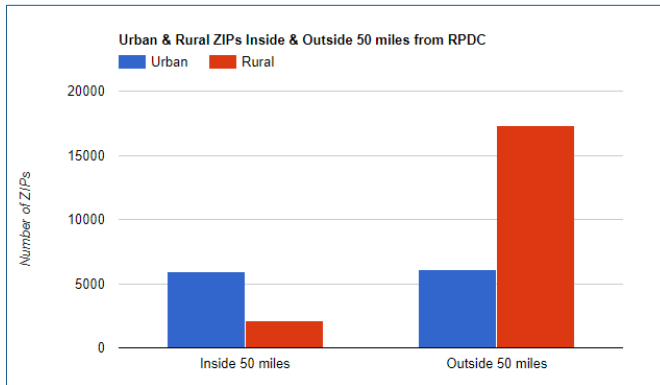
As *Save the Post Office* noted,

“... about 74% of the ZIPs outside the 50-mile radius are rural while 26% of ZIPs inside the radius are rural. About 90% of all rural ZIPs are outside the 50-mile radius and subject to RTO.

“Looking at the urban/rural divide in terms of population, the model shows that the

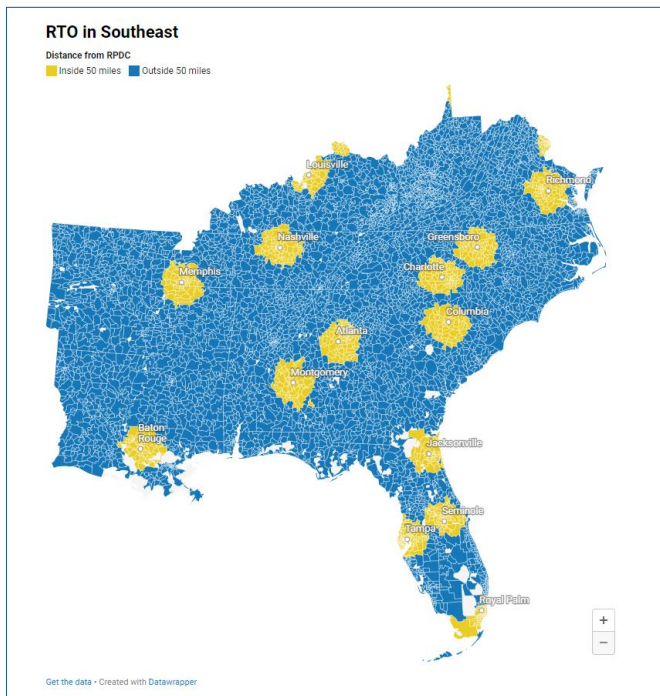


country as a whole is about 21% rural. Inside the 50-mile radius the population is 8% rural, while outside it's 35% rural. Of the country's rural population as a whole, 20% lives inside the radius while 80% lives outside.



"The Postal Service is correct when it says the areas impacted by the RTO initiative are both urban and rural [but] it will affect rural communities more than other areas."

A map of the southeastern US showed the clusters of post offices surrounding an RPDC that will still get an afternoon collection dwarfed by the vast expanses of the twelve states that will lose that collection and the service opportunity it provides.



Continuing, the analysis observed the need to change service standards to offset the delay caused by the RTO:

"The Postal Service says that despite the RTO changes, all First Class mail will retain a 1-to-5 day service standard, so none of the mail that's currently 5-day will need a 6-day service standard. As the USPS Fact Sheet promises, 'no First-Class Mail will be delivered later than 5 days within the continental United States.' ... That may be wishful thinking.

"During the third quarter of fiscal year 2024, for single-piece mail with a 5-day standard, only 76% was on time. It's hard to see how changes in the network will make it possible to deliver this mail in five days when the first day is spent in the back of the post office.

But clearly the Postal Service did not want to say that service standards are going from 2-to-5 days to 3-to-6 days for RTO areas.

"At the pre-filing conference, the Postal Service didn't have much to say about the impacts of RTO on packages, Priority and Express mail sent at one of the impacted post offices, but if these items aren't collected until the next day, it's likely that the service standards for these products will need adjustments as well.

"While 11% of First Class mail will slow down, about 14% of First Class will move faster through the system thanks to changes in the processing and transportation network. Most of this faster mail will be presorted and deposited at one of the 60 RPDCs."

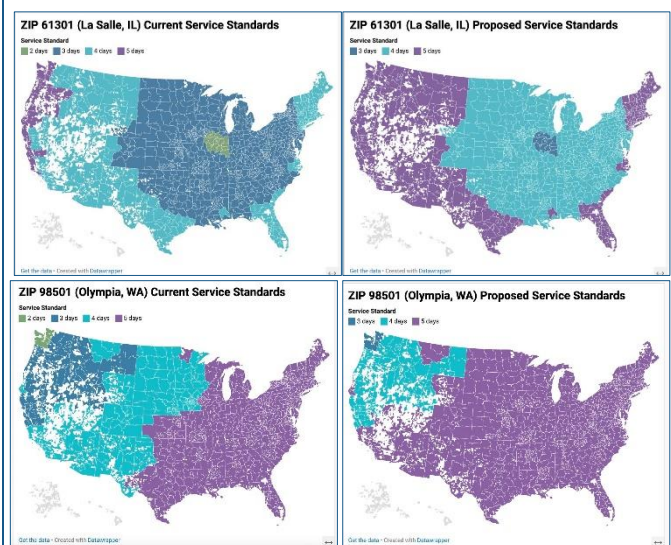
The posting noted the USPS' clever use of comparisons to suggest more places would be seeing improved service than is the case:

"The example in the webinar is for mail sent from ZIP code 60130. That might appear to be an arbitrary choice, but this is the ZIP code for the Chicago South RPDC in Forest Park, IL. In other words, the faster mail scenario depicted in this map applies to mail that's presorted and launched at an RPDC.



"If the Postal Service had provided a similar map for, say, ZIP 61201 for La Salle, IL, which is about 85 miles from the Chicago South RPDC and outside the 50-mile radius, the story would be rather different. (The maps below illustrate the addition of another day.)

"For some ZIP codes, like those on the coasts, the changes will be even more pronounced. [Below are] the current and a projected map for mail originating in 98501 (Olympia, WA). Under current standards, the map is about half 4-day and half 5-day. Under the proposal, about four-fifths of the country would fall under a 5-day service standard. Just three years ago, that area was all 3-day mail."



## Service measurement

Lastly, *Save the Post Office* took note of the Postal Service's proposal to report service performance measurement between 5-digit ZIP Codes rather than 3-digit areas:

"The Postal Service says the new system will be more 'precise' and 'granular,' but it could turn out to be rather cumbersome.

"There are about 900 3-digit SCF prefixes, so there are about 810,000 origin-destination pairs (900 x 900). Mailers are keenly aware of these O-D [origin-destination] pairs, which are provided in downloadable spreadsheet files on *Postal Pro*.

"At the pre-filing conference, a representative of a mailers association asked if they would be provided with the new O-D pairs in the future. It was a good question.

"There are about 42,000 ZIP codes. If each one is paired with another of the 42,000 ZIP codes, there would be over 1.7 billion O-D pairs. That's obviously beyond the limit of normal spreadsheets, so the Postal Service must be planning to make the data available in some other fashion, but this was not explained at the webinar.

"There's also the matter of service standard maps. The Postal Service currently provides about 900 maps for outgoing First Class mail – one for each 3-digit SCF – and another 900 for incoming mail. But what happens when there are 42,000 ZIPs? Will the Postal Service provide 42,000 maps for First Class mail? That too was not discussed in the pre-filing conference."

The benefit of 5-digit-to-5-digit service measurement has been more of an issue that might be apparent. A major concern is the potential sample size for some O-D pairs and, in turn, the validity of the published score as truly representative. Setting such examples aside, however, service for more typical O-D pairs would be much better defined than the current system allows.

The district-to-district format now in use is grossly *inaccurate* in reporting 5-digit-to-5-digit service if one or both of the districts is geographically large. For example, service reported from Astoria (OR) 97103 to Grand Portage (MN) 55605, a distance of 1977 miles, is the same as from Wilbax (MT) 59353 to Beach (ND) 58621, only 11 miles, because the "official" service is from the Idaho/Montana/Oregon *district* (Portland

OR 972) to the Minnesota/North Dakota *district* (Minneapolis MN 554): 62.23%, 4.1 days to deliver, for single-piece First-Class Mail for the week of August 31-September 6.

## Observations

The RTO initiative is apparently being thought through as it is being implemented. As *Save the Post Office* noted:

"The plan was initially called 'Optimized Collections' (as first reported in this post). As the pilot expanded to other locations, it was renamed 'Local Transportation Optimization' (LTO). It's now been recast as 'Regional Transportation Optimization' (RTO).

"The changes in the name are indicative of how the plan is apparently being improvised on the fly. As the Postal Service told the PRC, it wasn't even part of Delivering for America as set forth back in 2021. Yet the plan is now being presented as an essential aspect of network transformation, inseparable from other elements of DFA.

"Over the past few months, the plan has changed in key ways. At first, it encompassed post offices over 25 miles from a Sorting & Delivery Center (there will eventually be 500 or 600 S&DCs). Then the radius was changed to 50 miles, and it was the distance from the post office to a Local Processing Center (there will eventually be about 190 LPCs).

"Either approach would have impacted something on the order of 12,000 to 15,000 of the country's 31,000 USPS-operated post offices. The RTO plan, with a radius of 50 miles from one of only 60 RPDCs, encompasses a much larger area of the country and could impact as many as 23,000 post offices."

It may not be too far-fetched to envision meetings between Postmaster General Louis DeJoy and his top lieutenants in which DeJoy presses toward his self-styled goals of financial "self-sufficiency," operational "precision," functional "efficiency," and other objectives that cloak his desire simply to reduce service in order to save money and fill trucks.

Obviously, in such a roomful of sycophant yes-men there's no-one who would defend service if it means accepting necessary costs and less than full trucks. The churn in the Postal Service's executive ranks, and the infusion of DeJoy cronies from XPO and other former business connections, testifies to how little tolerance he has for dissidence.

## Bill Filed to Amend PMG Selection

US Senator Jon Ossoff (GA) has filed the *Postmaster General Reform Act of 2024*, a bill to make the Postmaster General a presidential appointment, with Senate confirmation, rather than a selection by the Governors of the Postal Service, and limit a PMG to no more than two five-year terms.

Ossoff and current PMG Louis DeJoy have been at odds over the service decline in Georgia following the opening of the Atlanta regional processing and distribution center in late February. As Ossoff stated:

"The execution debacle by the US Postal Service in Georgia has been a failure of leadership and a failure of management, and it has reflected the incompetent leadership and the incompetent management of the postmaster general himself. This is a job of such importance that there needs to be a real job interview with those the people elect to confirm the most important officials in the federal government."

Ossoff and DeJoy clashed at hearings earlier this year at which the senator focused on the severe decline in service performance in Georgia after the new RPDC opened. DeJoy sought to assuage Ossoff by assuring him service would

quickly improve and that the facility would be among the best in the nation. So far, as Ossoff has likely noticed, service has improved but not to the levels DeJoy had promised.

For the week of August 31 through September 6, the service score for intra-district retail First-Class Mail – which would include remittances and mailed-in ballots – was 71.23%, over 15 percentage points below the same period last year; "days to deliver" was 2.7, compared to 2.2 days last year.

It may be a challenge to get the bill through both houses of a politically-fractious Congress, and enacted by the president, before a new Congress and president take office next January. Even if enacted, however, the bill would not affect DeJoy, but rather would apply to the first appointment following the measure's enactment. It also has no explicit provision to remove a PMG, though the incumbent likely could be fired by the president like any other appointee.

Meanwhile, despite financial losses and continued poor service, DeJoy knows he has a free hand to do as he pleases, insulated against adversity by his allies among the governors.



## Insurance Fraud Scheme Unraveled

Crime involving the Postal Service unfortunately isn't rare, but one example recently reported by the USPS Office of Inspector General raised the bar for criminal hutzpah.

"As customers of the US Postal Service and other large couriers, we enjoy protections against our items getting lost, damaged, or destroyed once we ship them off. But there are criminals who instead exploit these indemnity programs without so much as an afterthought. Sometimes, fraudsters go to extremes, like in this case our Office of Investigations recently closed with the help of our law enforcement partners.

"As early as October 2018, three brothers in Florida, Pennsylvania, and New Jersey started filing insured parcel claims with USPS and UPS. On paper, it was all legit: They sent packages with valuables like designer sunglasses and clothing, brand-name headphones, and other high-end electronics. But the packages got lost or damaged during transit, so they filed claims for compensation. Each claim had, of course, the corresponding proof of value attached.

"Except none of it was true. They were sending the parcels to themselves and to each other. The contents were worthless: used cardboard, crumpled paper, even sand. The highest value contents were airline-throwaway level, like cheap plastic headphones. And the proofs of value were doctored — completely bogus. The farce went on for a solid year and a half, and the brothers got crafty: They started sending packages to new addresses. They also changed who supposedly received and cashed the indemnity checks. But no matter the cast of made-up characters, bank surveillance footage always captured the brothers doing the deed.

"When the victims caught wind of what was happening, they began denying payment. For example, the Postal Service and UPS refused to issue or deliver some of the claim checks. Then a bank placed a hold on an account used to deposit the fraud proceeds.

"Did this deter the brothers? Absolutely not — instead, they showed an even more criminal nerve: they posed as third parties and repeatedly sought recoveries from USPS and UPS. They even filed more than 10 lawsuits against UPS in various New Jersey counties claiming it didn't pay what they were owed. They also sued the bank to try to access the funds from their scheme.

"The case was ultimately prosecuted by the US Attorney's Office for the Eastern District of Pennsylvania. US Attorney Jacqueline C. Romero said the 'brothers made their fraud a family affair.' As it happened, the three already had criminal histories ranging from insurance fraud, to burglary, to aggravated assault. The consequences for this latest gift would be another family affair to remember.

"This is how it finally unraveled: UPS filed a complaint with the Postal Inspection Service to open an investigation into the suspicious pattern of checks. And when postal inspectors found a trail of postal checks being issued to the brothers, they brought the case to our special agents, as postal indemnity programs fall within the USPS OIG's jurisdiction. In total, over 1,200 fraudulent insured parcel claims were submitted with USPS and UPS, for which the brothers received almost \$300,000 in ill-gotten gains.

"In April 2020, our special agents seized \$47,000 in cash from one of the many bank accounts the brothers used to commit this fraud. Six months later, our special agents and their partners executed search warrants at two of the brothers' homes and seized more cash and more incriminating evidence.

"In May 2023, the brothers were found guilty at the end of a federal jury trial in the Eastern District of Pennsylvania. The charges included mail fraud, wire fraud, bank fraud, and money laundering conspiracy.

"This February, the Pennsylvania brother was sentenced to two years in federal custody, three years' supervised release, and was ordered to pay restitution of almost \$48,000. In March, the Florida brother was sentenced to almost five years in federal prison and the New Jersey brother was sentenced to over 10 years' imprisonment. The latter two received three and five years' probation respectively, and were each ordered to pay over \$281,000 in restitution.

"The USPS OIG will continue to work with our law enforcement partners to vigorously investigate these indemnity fraud cases. Hopefully, the sentences handed down will be a deterrent to those who might attempt to defraud the Postal Service by filing false claims, said Jeffrey Krafels, Executive Special Agent in Charge, USPS OIG Mid-Atlantic Area Field Office."

Crime, even when cleverly executed, still does not pay.

## A Voting-by-Mail Irony

As the election season nears, the issue of voting-by-mail is again in the news. Though the process seems simple, it relies on election officials properly preparing balloting materials, citizens mailing back ballots quickly, and the Postal Service processing and delivering all of it promptly.

For its part, the USPS is giving the predictable assurances that it's ready and everything will go swimmingly, even though its service performance has been underwhelming of late and it's cutting afternoon collections in some areas.

During the election cycle four years ago, then-new Postmaster General Louis DeJoy was the target of accusations that his affiliation with the then-president was enabling him to interfere with mail-in ballots and manipulate the election's outcome. (The then-president had nominated the only five USPS governors then in place, and they had selected DeJoy.)

As history showed, if DeJoy was supposed to prevent the challenger's successful election, he failed.

This election season, as the now former president seeks to regain office, things have taken an ironic turn. In comments

he posted on social media, he accused the Postal Service — still run by his erstwhile partisan Louis DeJoy — of being "a poorly run mess that is experiencing mail loss and delays at a level never seen before." Moreover, he asks "how can we possibly be expected to allow or trust the US Postal Service to run the 2024 Presidential Election? The United States Postal Service is not prepared for this massive influx of ballots."

The groundwork seems to be in preparation for the scenario of a candidate losing because of flaws in voting-by-mail. So the agency — and PMG — once suspected of favoring a candidate is now being suspected by that same candidate of potentially performing in a way that would hurt his chances.

Regardless, and despite the "extraordinary efforts" the USPS claims to take to ensure speedy processing and delivery of voting materials, it's a virtual statistical certainty that somehow, somewhere, some ballots will get sidetracked, immediately become known by the media, and used by the unsuccessful candidate to allege balloting interference.

No matter who loses, the USPS will be the scapegoat.

## Volume “In Measurement” Impacted by Exclusion Criteria

Though the Postal Service has ended its practice of self-congratulatory press releases about service, the credibility of any claims about service would be greatly improved if the universe of mail reflected by the scores was shown to be truly representative of the entire mailstream.

The more granular PQ III service performance data released August 9 perpetuates the question of whether the figures the agency uses truly represent the service experience of the associated class or category of mail.

Significant quantities of mail remain not “in measurement” for any of several reasons, as detailed in the charts below. (In the bottom chart, “total excluded volume” sums the column; “% RPW Vol Excluded” is the proportion of total volume for the corresponding category that was excluded, based on the quarterly *Revenue, Pieces, and Weight* report.)

Consistently, the leading causes of exclusion from measurement are “long haul,” “no piece scan,” and “no start-the clock.” The “long haul” exclusion, which mainly impacts Presort First-Class Mail, was supposedly remediated by a change that was approved by the PRC and implemented by the USPS at the end of May 2022, but volume excluded for that reason remains a significant portion of total excluded volume.

The other two leading reasons reflect the failure to capture a necessary container or mailpiece scan. The reasons for this vary – a documentation gap or omitted scans on the inbound dock – but could also derive simply from the mail not being processed on automation.

Regardless, so long as these exclusions persist, preparers of the associated mail will be unable to confirm that the service the USPS claims is actually what their mail receives.

FY 2024 Exclusions (%)		First-Class Mail Presort First-Class Mail				USPS Marketing Mail Letters and Flats across all products measured by IMb				Periodicals			
Reason	Description	PQ I	PQ II	PQ III	PQ IV	PQ I	PQ II	PQ III	PQ IV	PQ I	PQ II	PQ III	PQ IV
Excluded ZIPs	Excluded due to 3-digit delivery ZIP Codes that are not measured.	0.07%	0.05%	0.06%		0.04%	0.04%	0.04%		0.09%	0.11%	0.10%	
FAST Appointment Irregularity	Irregularity with the mailing/trip captured by FAST (e.g., contents not matching 8125).	0.00%	0.00%	0.00%		0.71%	0.46%	0.74%		0.11%	0.03%	0.09%	
Inaccurate Scheduled Ship Date	eDoc scheduled ship date time is 48+ hours earlier than the postage statement finalization date time	1.24%	0.40%	0.38%		0.07%	0.04%	0.05%		1.90%	0.90%	0.92%	
Inconsistent Service Performance Measurement Data	Mail piece received inconsistent scan events when calculating service performance measurement (container/mail piece scans not in chronological order).	5.08%	4.42%	4.16%		7.58%	5.86%	6.18%		0.69%	0.68%	0.73%	
Incorrect Entry Facility	eDoc entry facility does not match the facility specified in the associated FAST appointment.	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
Invalid Entry Point for Discount Claimed	Entry Point for Entry Discount claimed in eDoc is invalid for the entry point and destination of the mail.	0.00%	0.00%	0.00%		3.45%	3.13%	3.32%		2.79%	3.88%	4.51%	
Long Haul	Mail verified at a DMU then transported by USPS to a mail processing facility in a different district than the DMU.	26.44%	20.03%	12.55%		0.48%	0.46%	0.44%		3.81%	3.88%	4.09%	
No Piece Scan	No automation scan observed for the mail piece	6.00%	5.73%	5.58%		31.03%	29.84%	28.19%		58.38%	56.36%	57.29%	
No Start-the-Clock	Lack of a container unload scan or inability to identify the FAST appointment associated to the container.	41.99%	52.85%	61.70%		39.79%	43.86%	44.94%		16.95%	22.31%	23.23%	
Non-Compliant	Mail identified as non-compliant due to inaccuracies in mail preparation.	2.00%	2.11%	2.15%		0.38%	0.26%	1.99%		0.46%	0.23%	0.12%	
Non-Unique IMb	eDoc contains mail pieces with a non-unique IMb.	2.88%	2.37%	1.78%		3.08%	2.79%	1.93%		3.83%	2.00%	0.82%	
Non-Unique Physical IMcb	Physical containers with non-unique IMcb on the placard	1.15%	1.15%	1.00%		2.69%	2.78%	2.67%		0.85%	0.76%	0.88%	
Orphan Handling Unit	Mailpiece associated to an Orphan Handling Unit not inducted at a BMEU	0.81%	1.24%	1.27%		0.51%	0.71%	0.81%		1.44%	1.72%	1.74%	
Other	All other reasons	6.65%	4.70%	4.35%		4.79%	4.21%	3.39%		4.93%	2.83%	1.64%	
PARS	UAA mail as indicated by ACS and/or PARS operation when mail piece is processed.	5.70%	4.94%	5.03%		5.39%	5.56%	5.33%		3.77%	4.31%	3.84%	

FY 2024 Exclusions (Volume)	First-Class Mail Presort First-Class Mail				USPS Marketing Mail Letters and Flats across all products measured by IMb				Periodicals			
Reason	PQ I	PQ II	PQ III	PQ IV	PQ I	PQ II	PQ III	PQ IV	PQ I	PQ II	PQ III	PQ IV
Excluded ZIPs	1,654,956	1,423,381	1,301,887		932,927	859,133	730,859		200,137	212,036	205,096	
FAST Appointment Irregularity	0	0	114,680		16,214,073	9,101,314	14,781,141		227,167	65,714	189,332	
Inaccurate Scheduled Ship Date	30,459,648	10,578,899	8,829,221		1,571,860	873,022	952,289		4,056,512	1,706,870	1,885,901	
Inconsistent Svc Perf Measurement Data	124,876,679	118,389,613	96,315,605		172,924,114	116,458,311	123,626,747		1,480,171	1,293,967	1,496,815	
Incorrect Entry Facility	0	0	0		0	0	0		0	0	0	
Invalid Entry Point for Discount Claimed	6,901	5,553	5,095		78,575,497	62,260,130	66,351,907		5,959,454	7,376,107	9,267,120	
Long Haul	650,329,425	536,002,500	290,711,250		10,992,132	9,120,750	8,852,099		8,141,070	7,380,429	8,397,948	
No Piece Scan	147,618,578	153,241,484	129,392,084		707,570,648	593,073,908	563,946,878		124,614,661	107,076,017	117,640,153	
No Start-the-Clock	1,032,971,320	1,414,352,632	1,429,437,142		907,128,001	871,766,289	899,006,011		36,186,497	42,387,177	47,699,522	
Non-Compliant	49,190,075	56,488,591	49,741,233		8,695,334	5,080,586	39,742,837		975,682	435,266	241,741	
Non-Unique IMb	70,848,806	63,482,308	41,132,178		70,258,371	55,426,360	38,519,579		8,168,041	3,795,415	1,690,437	
Non-Unique Physical IMcb	28,298,318	30,856,963	23,135,330		61,383,370	55,170,544	53,349,625		1,805,934	1,439,410	1,800,168	
Orphan Handling Unit	19,972,647	33,249,467	29,369,549		11,650,227	14,175,702	16,256,940		3,069,339	3,271,068	3,577,582	
Other	163,545,754	125,877,821	100,857,396		109,112,173	83,747,275	67,748,599		10,528,150	5,375,887	3,357,323	
PARS	140,257,939	132,239,134	116,590,511		122,955,097	110,494,464	106,685,525		8,051,388	8,181,839	7,886,128	
<b>Total Excluded Vol.</b>	<b>2,460,031,046</b>	<b>2,676,188,346</b>	<b>2,316,933,161</b>		<b>2,279,963,824</b>	<b>1,987,607,788</b>	<b>2,000,551,036</b>		<b>213,464,203</b>	<b>189,997,202</b>	<b>205,335,266</b>	
<b>% RPW Vol Excluded</b>	<b>20.53%</b>	<b>30.62%</b>	<b>29.73%</b>		<b>14.68%</b>	<b>14.38%</b>	<b>14.70%</b>		<b>29.19%</b>	<b>28.31%</b>	<b>29.04%</b>	

## All the Official Stuff

### Federal Register

#### Postal Service

##### NOTICES

**September 10:** International Product Change: Priority Mail Express International, Priority Mail International, and First-Class Package International Service Agreement, 73454.

**September 17:** International Product Change: Priority Mail Express International, Priority Mail International, and First-Class Package International Service Agreement, 76162.

**September 19:** Product Change [80]: Priority Mail Express, Priority Mail, and USPS Ground Advantage Negotiated Service Agreement [55], 76878, 76879, 76879, 76880, 76880, 76881, 76881, 76881, 76882, 76882, 76882, 76882, 76882, 76883, 76883, 76883, 76883, 76884, 76884, 76884, 76885, 76885, 76885, 76885, 76886, 76886, 76886, 76887, 76887, 76887, 76887, 76887, 76888, 76888, 76888, 76888, 76888, 76889, 76889, 76889, 76890, 76890, 76890, 76891, 76891, 76891, 76891, 76892, 76892, 76892, 76893; Priority Mail and USPS Ground Advantage Negotiated Service Agreement [23], 76878, 76878, 76878, 76879, 76879, 76879, 76880, 76880, 76880, 76881, 76882, 76883, 76884, 76884, 76885, 76885, 76886, 76889, 76889, 76890, 76891, 76891, 76892; Priority Mail and Parcel Select Negotiated Service Agreement [2], 76879, 76892.

##### PROPOSED RULES

[None.]

##### FINAL RULES

**September 17:** OEL and Carrier Route Information Lines, 75973.

#### Postal Regulatory Commission

##### NOTICES

**September 10:** New Postal Products, 73453-73454.

**September 11:** New Postal Products, 73731-73732; Notice Initiating Docket(s) for Recent Postal Service Negotiated Service Agreement Filings, 73732-73734.

**September 12:** New Postal Products, 74305.

**September 16:** Competitive Postal Products, 75595-75596; New Postal Products [2], 75596-75598, 75598-75599.

**September 17:** New Postal Products, 76161-76162.

**September 18:** New Postal Products, 76517-76518.

**September 19:** New Postal Products, 76873-76874; Complaint Proceeding, 76874-76878.

**September 20:** New Postal Products, 77202.

##### PROPOSED RULES

[None.]

##### FINAL RULES

[None.]

### USPS Industry Alerts

September 11, 2024

#### USPS Enters into New Agreements with Package Consolidator Companies Consistent with its Delivering for America (DFA) Strategy

The Postal Service has been implementing a new strategic approach with respect to its contracts with package consolidator companies - ones that consolidate large volumes of packages for entry into various points of the USPS network. These contracts no longer reflect operational and financial realities in today's market, the Postal network, or USPS' refreshed product offerings. As a result, while the Postal Service has and will enter into new agreements with package consolidator companies consistent with its current business strategy, the Postal Service will no longer offer discounted rates through Negotiated Service Agreements (NSAs) for packages entered by consolidators at Post Office Delivery Units. ...

September 11, 2024

#### Statement of Ownership Reminder- Disregard

Publishers who received an email that they have not submitted their Statement of Ownership, should disregard this communication as the incorrect message was inadvertently sent. As a reminder, publishers of General, Requester and Foreign publications, must file a PS Form 3526, *State of Ownership, Management and Circulation* by October 1 each year at the Original Entry post office. The required information

### DMM Advisory

[None.]

#### Postal Bulletin (PB 22659, September 19)

- Effective **November 4**, DMM 202.3.10, is revised to replace the section titled "Marking Hazardous Materials" with a section titled "Exceptions to Markings," which was erroneously deleted in a previous DMM edition. The Postal Service will also revise section 604.5.1.8 to reflect an update in the Postal Service weight standard for permit-imprint mailings. Although these revisions will not be published in the DMM until November 4, 2024, the standards are effective immediately.
- Effective **November 4**, DMM 705.18.2.2, is revised to clarify Postal Service standards for hazardous materials enclosed in Priority Mail Express and Priority Mail Open-and-Distribute containers. DMM 705.18.2.2 is revised to clarify that mail enclosed in a Priority Mail Express or Priority Mail Open-and-Distribute container may only contain hazardous materials that are eligible at Priority Mail Express or Priority Mail prices. Although the Postal Service will not publish this revision in the DMM until November 4, 2024, these standards are effective immediately.
- Effective **November 4**, DMM 507.2.0, is revised to delete information that has become redundant because of an enhancement to the Postal Service Internet Change of Address (ICOA) filing procedure. Previously, the Postal Service only allowed customers to submit one change-of-address request in a single transaction. On May 30, 2024, the Postal Service deployed an enhancement to the filing procedure via the ICOA application Mover's Guide Online (MGO), available at [moversguide.usps.com](https://moversguide.usps.com). Customers are now able to submit up to 99 change-of-address requests in a single transaction. As a result of this enhancement, DMM 507.2.1.6, "Temporary Business Bulk Forwarding," is no longer applicable and will be deleted. Although The Postal Service will not publish this revision in the DMM until November 4, 2024, this standard is effective immediately.
- Effective **January 19, 2025**, DMM 203.8.1 is revised to reflect the Postal Service's change in requirements for using optional endorsement lines or carrier-route information lines on USPS Marketing Mail carrier-route letters. This revision will be published in the DMM on January 19, 2025, which is when this standard will become effective.

*Postal Bulletin* announcements of revisions to the DMM, IMM, or other publications often contain **two** dates: when a *revised document* is effective, and when a *revised standard* is effective. The effective date of a revised standard is typically *earlier* than when it will appear in a revised publication.



must also appear in an issue whose primary mailed distribution is produced not later than October 10 for publications issued more frequently than weekly, or not later than October 31 for publications issued weekly or less frequently but more frequently than monthly; or in the first issue whose primary mailed distribution is produced after October 1 for all other publications. To expedite the process, we encourage publishers to submit the PS Form 3256 online using the Business Customer Gateway under Mailing Services> Postal Wizard>Complete a Customer Service Form> Online Form 3526. Any questions or concerns should be directed to your local Business Mail Entry management at the Original Entry post office.

---

September 13, 2024

#### **2025 National Postal Forum Call for Papers is Now Open, 2025 Theme Announced**

Shipping, Mailing, and Supply Chain industry professionals are invited to submit a workshop proposal(s) for the 2025 National Postal Forum, being held in Nashville TN, April 27-30. Workshops are an integral part of the educational content brought to you at NPF, covering a variety of hot topics within the industry. The deadline for submissions is **November 1, 2024**. Your submission should fit into one of the following workshop tracks: Driving Mail Growth with Cutting-edge Innovations; Shipping Solutions to Advantage; Data, Technology, and Visibility for Tomorrow's Competitive Advantage; Professional Growth through Strategic Leadership; Operational Excellence from Mail Setup to Delivery. Workshops will take place at NPF in the Gaylord Opryland Convention Center April 27-30, 2025. Select the link to submit your proposal – 2025 Call for Presentations ([goeshow.com](https://goeshow.com)). You will be required to include a topic, brief description, and learning objectives. A limited number of workshops will be selected. If you have any comments regarding presentation submissions, please contact Laurie Woodhams at [lwoodhams@npf.org](mailto:lwoodhams@npf.org). We are pleased to share the 2025 NPF theme, *Leading Forward, Elevating Performance, Delivering for America*. The title “Leading Forward” embodies the proactive, innovative spirit of NPF as it navigates the evolving demands of the mailing as well as shipping industry and promises attendees a front-row seat to the innovations that drive the industry forward. The tagline “Elevating Performance” promises attendees opportunities to obtain enhanced operational efficiency and strategic acumen to excel in their career. “Delivering for America” ties directly into the USPS’s long-term vision, bringing to the forefront the successes and forward-thinking strategies. We are gearing up for an exciting NPF with new components celebrating the past 250 years of USPS history and looking forward to what the future holds. Be on the lookout, NPF registration will be opening soon. You don’t want to miss this forum.

---

September 16, 2024

#### **Organizational Realignment — National Sales**

One of the core tenets of the *Delivering for America* (DFA) plan has been to increase USPS revenue by aligning the Postal Services’ sales strategies with the new capabilities provided by our transformed network. Over the last twelve months, the Postal Service has conducted a thorough diagnostic of our sales strategies. We are implementing new account management strategies and realigning our sales workforce. As we begin the initial phase of implementing our new sales strategies, Postmaster General Louis DeJoy is appointing Bill Fraine to the position of Senior Vice President, National Sales, and he will report directly to PMG DeJoy. This organizational change will enable the Postal Service to maximize its revenue strategies and growth potential. Shavon Keys, Vice President of Sales, will report directly to Bill Fraine in his new role as Senior Vice President, National Sales. She will continue to drive the development and implementation of organization-wide sales strategies with a renewed focus on growing our market share within our competitive products and enhance our relevance in the marketplace.

---

September 16, 2024

#### **Discover How USPS Can Support Your Business Growth During National PCC Week September 23-27, 2024**

National Postal Customer Council (PCC) Week is fast approaching, and this is your opportunity to stay informed on the latest Delivering for America updates, learn about innovative postal solutions for business growth, and USPS strategies and industry best practices. This annual event, taking place September 23-27, 2024, brings together local commercial mailers, business partners and industry professionals. Over 95 PCCs will be participating in events across the country. Each event will feature a video message from the Postmaster General (PMG) Louis DeJoy, with updates on the USPS 10-year transformation plan, Delivering for America (DFA). This ambitious plan is aimed at modernizing the postal network, improving service across all mail and shipping categories, and restoring long-term financial sustainability. Following the PMG message, attendees will hear from a USPS executive on how the DFA plan is benefiting businesses nationwide. Some PCC Week events will feature a vendor showcase with exhibit booths highlighting the latest offerings in the shipping and mailing industry. Other PCCs will host break-out sessions on a series of topics including Shaping the Future of Direct Mail, Mailer Scorecard, Shipping 101 and more. The PCC continues to provide a crucial partnership between the Postal Service and industry members to foster success in today's competitive marketplace and provide opportunities for networking and collaboration among business mailers.

---

September 20, 2024

#### **Business Customer Training Series – Automated Certificate of Mailing**

The Postal Service has added two sessions to the bi-weekly webinars on Automated Certificate of Mailing. Effective January 2024, customers sending more than 50 pieces through the BMEU now have the option for the automated method of Certificate of Mailing. We will provide a training session on this process and the benefits it provides to our mailers. The automated solution provides customers an alternative to traditional hardcopy forms. We encourage customers to adopt this automated solution, as it will reduce the administrative time for handling Certificate of Mailing, enhance security, and increase visibility throughout the mailing process. There is no impact to the Retail channel. The automated forms for extra services were implemented to be used as an alternative to the hardcopy forms detailed here: 3606-D (Bulk Certificate of Mailing), 3665 (Certificate of Mailing), 3877 (Firm Book for Accountable Mail). The Postal Service will continue hosting bi-weekly webinars on utilizing the Business Customer Gateway (BCG) for electronic documentation (eDoc) and postage statement submission. Upcoming webinars: September 24, Automated Certificate of Mailing; October 8, Automated Certificate of Mailing; October 22, Business Customer Gateway (BCG)/ Postal Wizard (PW). Join us for the next session – Automated Certificate of Mailing on Tuesday, September 24, 2024, at 1:00 PM EST. Meeting URL: <https://usps.zoomgov.com/j/1603767418?pwd=TTFONWNVMXQ2UW1wcUVVCcEt5WFILZz09>; Meeting ID: 160 376 7418; Password: 996767. If requested, enter your name and email address. Enter meeting password: 996767. Join Audio by the options below: Call using Internet Audio; Dial: 1-855-860-4313, 1-678-317-3330 or 1-952-229-5070 & follow prompts. Note: Meeting links and presentations are also posted on PostalPro and can be found at Mailing Services | PostalPro ([usps.com](https://usps.com)).

---

September 20, 2024

**2025 NPF Registration Now Open**

Registration is now open for the 2025 National Postal Forum (NPF), the premier event for professionals across the shipping and mailing supply chain. Join us at the Gaylord Opryland Convention Center, in Nashville, TN, April 27-30, to explore cutting-edge innovations, connect with top experts, and expand your professional network. NPF is the only place where you will hear from the Postmaster General (PMG) and his executive leadership team on the dynamic changes taking place with the Delivering for America plan, including the modernization of the postal network, improved service across all mail and shipping categories, and the restoration of long-term financial sustainability. NPF will feature a PMG Keynote Address, leadership insight sessions, over 100 workshops, state-of-the-art exhibit hall, certifications, networking events, and much more. Don't miss out on this opportunity to be a part of the conversation and gain actionable insights to integrate into your operations. Early bird registration is open through January 3, 2025. For details on how to register for the forum please visit NPF 2025.

September 20, 2024

**US Postal Service Announces No Stamp Price Changes for January 2025**

A recommendation by Postmaster General Louis DeJoy not to raise prices in January 2025 for Market Dominant products, which includes First-Class Mail, was accepted by the Governors of the United States Postal Service. Accordingly, the price of a stamp to mail a 1-once single-piece First-Class letter will not increase. The Postal Service's operational strategies are designed to boost service reliability, cost efficiency, and overall productivity. "Our strategies are working, and projected inflation is declining," said Postmaster General DeJoy. "Therefore, we will wait until at least July before proposing any increases for market dominant services." The Postal Service remains committed to continued cost saving measures and to keeping its products and services affordable. Only a handful of countries have a lower price for a domestic single-piece letter. Lastly, the Postal Service continues to deliver on the tenets of the Delivering for America 10-year plan, while executing our public service mission — to provide a nationwide, integrated network for the delivery of mail and packages at least six days a week — in a cost-effective and financially sustainable manner over the long term, just as the US Congress intended and the law requires.

USPS FINAL RULE – OEL and Carrier Route Information Lines
<p><b>POSTAL SERVICE</b> 39 CFR Part 111 <b>OEL and Carrier Route Information Lines</b> <b>AGENCY:</b> Postal Service. <b>ACTION:</b> Final rule.</p> <p><b>SUMMARY:</b> The Postal Service is amending <i>Mailing Standards of the United States Postal Service, Domestic Mail Manual</i> (DMM) to revise the requirements for using optional endorsement lines or carrier route information lines on USPS Marketing Mail carrier route letters.</p> <p><b>DATES:</b> Effective: January 19, 2025.</p> <p><b>FOR FURTHER INFORMATION CONTACT:</b> Dale Kennedy at (202) 268-6592 or Doriane Harley at (202) 268-2537.</p> <p><b>SUPPLEMENTARY INFORMATION:</b> The Postal Service will revise the standards in DMM section 203.8.1 to require optional endorsement lines or carrier route information lines on all USPS Marketing Mail carrier route letters to become effective on January 19, 2025.</p> <p><i>Comments on Proposed changes and USPS responses:</i></p> <p>The Postal Service received one formal comment on the June 28, 2024 proposed rule.</p> <p>Commenter expressed concerns related to costs to implement this change by the proposed effective date. The Postal Service has decided to delay the implementation date of this change to become effective on January 19, 2025.</p> <p>The Postal Service adopts the described changes to <i>Mailing Standards of the United States Postal Service, Domestic Mail Manual</i> (DMM), incorporated by reference in the <i>Code of Federal Regulations</i>. We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.</p> <p>List of Subjects in 39 CFR Part 111 Administrative practice and procedure, Postal Service.</p> <p>Accordingly, the Postal Service amends <i>Mailing Standards of the United States Postal Service, Domestic Mail Manual</i> (DMM), incorporated by reference in the <i>Code of Federal Regulations</i> as follows (see 39 CFR 111.1):</p> <p>PART 111 – [AMENDED]</p> <p>1. The authority citation for 39 CFR part 111 continues to read as follows: Authority: 5 USC 552(a); 13 USC 301-307; 18 USC 1692-1737; 39 USC 101, 401-404, 414, 416, 3001-3018, 3201-3220, 3401-3406, 3621, 3622, 3626, 3629, 3631-3633, 3641, 3681-3685, and 5001.</p> <p>2. Revise the <i>Mailing Standards of the United States Postal Service, Domestic Mail Manual</i> (DMM) as follows: <b><i>Mailing Standards of the United States Postal Service, Domestic Mail Manual</i> (DMM)</b> ***** <b>200 Commercial Letters, Cards, Flats, and Parcels</b> ***** <b>203 Basic Postage Statement, Documentation, and Preparation Standards</b> ***** <b>8.0 Carrier Route Information Lines</b> <b>8.1 Basic Information</b> <i>[Revise the text of 8.1 to read as follows:]</i> Mailers must prepare bundles of all mailpieces mailed at carrier route prices with optional endorsement lines under 7.0, carrier route information lines under 8.2, or facing slips (see 203.4.0). Mailers must use optional endorsement lines or carrier route information lines on all pieces in mailings of USPS Marketing Mail letters prepared under 245.6.7 and 245.6.10. ***** Colleen Hibbert-Kapler, Attorney, Ethics and Legal Compliance.</p>

## Calendar

To register for any Mailers Hub webinar, go to [MailersHub.com/events](https://MailersHub.com/events)

October 15 – *Mailers Hub Webinar*

November 12 – *Mailers Hub Webinar*

October 22-23 – MTAC Meeting, USPS Headquarters

December 3 – *Mailers Hub Webinar*

**BRANN & ISAACSON**  
ATTORNEYS AND COUNSELORS AT LAW

The services of Brann & Isaacson are now available to provide legal advice to subscribers. The firm is the Mailers Hub recommended legal counsel for mail producers on legal issues, including tax, privacy, consumer protection, intellectual property, vendor contracts, and employment matters. As part of their subscription, Mailers Hub subscribers get an annual

consultation (up to one hour) from Brann & Isaacson, and a reduced rate for additional legal assistance. The points of contact at Brann & Isaacson are: Martin I. Eisenstein; David Swetnam-Burland; Stacy O. Stitham; Jamie Szal. They can also be reached by phone at (207) 786-3566.

## Thanks to Our Supporting Partners

**BCC**  
**SOFTWARE**  
A BLUECREST COMPANY

**Canon**  
CANON SOLUTIONS AMERICA

**eNRU**  
Logistics and Postal Optimization

  
accuzip



 **SNAILWORKS™**  
COORDINATED DIRECT MARKETING PLATFORM

 **MCS**  
INDUSTRIAL INKJET TECHNOLOGY

**WMP**  
WHITTIER MAILING PRODUCTS

## Thanks to Our Partner Associations and APAN Affiliates

 **GRAPHIC**  
MEDIA ALLIANCE

 **PRINT & GRAPHIC**  
COMMUNICATIONS ASSOCIATION

**PGAMA**  
Printing & Graphics Association MidAtlantic

 **pica**  
PROMOTING THE INDUSTRY  
Focused on Members Success

 **piag**  
Printing & Imaging  
Association of Georgia  
JOIN • PARTICIPATE • SUCCEED

 **PIM**  
PRINTING INDUSTRY  
midwest

 **PINE**  
PRINTING INDUSTRIES  
OF NEW ENGLAND

 **IPMA**  
In-Plant Printing and Mailing Association

 **MFSA™**  
MAILING & FULFILLMENT SERVICES ASSOCIATION  
THEMFSA.ORG



*Mailers Hub News™* is produced by Mailers Hub LLC and provided to subscribers as part of their subscription. No part of *Mailers Hub News* may be reproduced or redistributed without the express consent of Mailers Hub LLC. For subscription or other information contact Mailers Hub LLC at [info@MailersHub.com](mailto:info@MailersHub.com).

Copyright © 2016-2024 Mailers Hub LLC. All rights reserved.