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Still Treating the Symptoms – Commentary

At the recent meeting of the USPS Board of Governors, Postmaster General Louis DeJoy once again claimed only he can save the Postal Service. As reported by *Government Executive*, DeJoy asserted “his vision is the only one that can put the Postal Service on a sustainable path.”

Aside from his chronic hubris, and aside from whether his Plan is as unique as he claims, it’s arguable that he and it continue to address the symptoms of the Postal Service’s malaise, but not its fundamental, foundational flaw. Cutting service, filling trucks, and raising the cost of mail may buy time, but won’t work for an institution whose core mission makes self-sufficiency no longer feasible.

Times changed

There was a time, starting when the nation was formed and up to perhaps a generation ago, when the postal system could sustain itself. For most of its existence, it was acknowledged to be a public service of the US government, and Congressional appropriations (until the 1970s) and postage revenue were enough to support the cost of the retail network and delivering to every mailbox six days a week.

Then things changed. Hard copy messages started moving to electronic media, delivery points increased, and the result – less mail to more places – upset the balance. The 2006 law that changed the ratesetting process tried to keep rates in check but simultaneously saddled the agency with an absurd prefunding requirement from which it may never fully recover, despite the 2022 law that eliminated the obligation.

Ironically, that law also codified both DeJoy’s vision for an “integrated network” (which he could have implemented without a statutory mandate) and the requirement for six-day delivery. In doing so, any chance of reducing the delivery obligation (not previously in law) was eliminated.

So, as the nation’s postal service approaches its 250th anniversary, its core mandate – the universal service obligation – remains the definition of both its elemental mission and its fatal flaw. Simply put, the economics of the USO no longer work and, until that problem is resolved, no plan or pricing strategy is going to right the Postal Service’s financial ship, nor will financial self-sustainability be possible.

The postal third rail

When politicians start looking for ways to cut government costs, they always look at Social Security, but that program has always been avoided because it’s a “third rail” that would prove politically fatal if touched. In the case of the Postal Service, though it’s never been given “third rail” status, the USO might as well be awarded the designation.

To unwind the USO, and relieve the USPS of the related costs, politicians would need to allow – or not obstruct – the closure of thousands of small post offices – the 70% or so of the entire retail network that loses money but is fervently protected for its symbolic value to small-town America. Politicians would also need to eliminate the six-day delivery requirement – and face the outrage of the carriers’ unions whose ranks would readily become one-sixth redundant.

If eliminating the USO – fundamentally a public service mandate – is unpalatable to politicians – and it would be, the obvious alternative is to face the need to fund it. Ratepayers no longer generate sufficient volume of traditional mail to support it, and DeJoy’s expectation that his inroads into the package business will produce the necessary revenue bravely assumes his competitors will oblige.

Neither A nor B

The likely scenario is that Congress will do what it does best – ignore the problem. The principle of avoiding a “bailout” will be invoked as long as possible, no matter how obvious the Postal Service’s financial distress becomes. Meanwhile, DeJoy will continue to hold up his Plan as the only solution: cutting service, raising prices, and pushing packages until there’s no juice left to squeeze out of those grapes.

Eventually, DeJoy can declare success or ride off into the sunset claiming his Plan would have worked had the nonbelievers and other obstructionists not gotten in his way. Congress can point fingers and hold hearings but, ultimately, will remain valueless in providing meaningful relief. And the rest of us – ratepaying customers and commercial mail producers – will have to make do with whatever postal service is left. Absent courageous measures, the “broken business model” will endure; the USO will outlast us all.

“Turnaround Mail” – Analysis

For reasons perhaps known only to the operational brain trust dutifully serving Postmaster General Louis DeJoy and his 10-Year Plan, the redesign of the postal processing network seems to have all originating mail flowing into the 60 or so regional processing and distribution centers from which it will go to other RPDCs or back through local processing centers for distribution to delivery units.

As is the apparent current view, the incoming flow to the RPDCs will be more or less directly from post offices (as the Regional Transportation Optimization scheme would suggest), not via the LPCs, meaning the general function of the LPCs would be only to process destinating volume from the RPDCs.

Look at the map

This mailflow design would typically result in some mail from an LPC's service area moving up to the RPDC only to be turned around and sent back to the LPC for destinating sortation. Apparently the irony (and cost) of how this “turnaround mail” was to be handled was noticed by someone in the DeJoy brain trust who, in turn, proposed that such mail be short-stopped at the local LPC and *turned around*.

However, what seemed like a reasonable idea has been slow to be recognized and even slower to be incorporated into the proposed network.

As reported November 24 by *Save the Post Office*, only sixteen of the approximately 180 LPCs currently will be allowed to turn around locally-originating and -destinating mail:

LPC	LPC ZIPs	RPDC
Bismarck	576, 585-588	Fargo
Burlington	054, 056	Springfield
Charleston	246-253, 255-259, 261-264, 266, 411-412, 415-416	Pittsburgh
Chattanooga	307, 373-374	Nashville
Eastern Maine	044, 046, 047, 049	Southern Maine
El Paso	798-799, 880, 883, 885	Albuquerque
Fort Myers	339 341	Tampa
Greenville	287-289, 293, 296	Charlotte
Gulfport	394 395	Montgomery
Knoxville	242, 376-379, 407-409, 417-418, 425-426	Nashville
McAllen	785	San Antonio
NW Arkansas	726-727, 729	Oklahoma City
Reno	894-895, 897, 961	Sacramento
Sioux Falls	510-513, 570-571	Omaha
Tulsa	740-741, 743-747, 749	Oklahoma City
Waterloo	504, 506, 507, 521	Des Moines

Of the other 164, 25 will be co-located in an RPDC, leaving about 139 not allowed, at this point, to turn around locally-originating and -destinating mail. Why that would be so cannot be discerned, of course, but it would seem generally true that the merits of enabling LPCs to turn around mail should be applicable in more than sixteen locations.

Another question

As currently described, the Postal Service's envisioned network is not clear about which originating trips from local post offices will travel directly to the origin RPDC and which, if any, would stop at the local LPC where their mail would be consolidated and then sent to the origin RPDC.

The agency's RTO Initiative predicated the termination of afternoon collection runs to some post offices on whether they lie in or out of an arbitrary 50-mile radius of the local RPDC. This suggests that the typical originating transportation would be direct from a post office to the RPDC.

What the USPS hasn't officially clarified is how the sixteen LPCs that will be allowed to turn around mail will get that mail if transportation from its local POs goes directly to the RPDC – but the only logical way it *could* be possible is if the transportation was *not* direct to the RPDC.

It's likely that the DeJoy brain trust has modeled everything, measured distances and travel times, and estimated costs for various transportation scenarios, and adhered to whatever the model spit out as the ideal solution.

Despite this, after simply looking at a map, the question remains as to why – other than serving the god of full trucks – the USPS would not concentrate originating mail at the LPCs, moving *one* truck to the RPDC rather than many, and, in turn, making it possible for *all* non-co-located LPCs to capture and turn around locally-originating and -destinating volume. Hopefully, not allowing this shortcut in all cases isn't simply to fill trucks or justify staffing levels at the RPDCs.

Unfortunately, if originating mail were generally channeled through the LPCs, it wouldn't blunt the impact of the RTO initiative, but at least it would improve the chances that mail staying within an LPC service area might continue to receive some level of current service.

Whether broadening the role of the LPCs and widening the opportunities for turnaround mail will be considered by the USPS remains to be seen, but it may depend less on whether it makes sense and more on what the computer models say about full trucks.

How to Address

Perhaps it was trying to be helpful, maybe it was trying to be trendy, or perhaps it was hoping simply to educate, but, regardless, a November 14 social media posting by the Postal Service seems to have generated an unanticipated response.

Though likely originating somewhere in corporate affairs or communications, the message to “*normalize this normalize that' let's normalize putting the stamp in the right corner*” likely generated more negative reaction than the intended public adoption of correct postage placement.

With only about 1% “likes” and thousands of reposts, responses often pitched the post's theme right back, such as “Let's normalize picking up packages after scheduling a pickup,” “Normalize not giving me someone else's mail,” and “Let's normalize delivering rural mail on time.”

Obviously those on social media weren't happy about being hectored by an agency with its own problems to solve, with one response advising: “Babes, you guys need to worry about yourselves.”

Designing Targets for “Success”

Judging by the performance targets he sets for the Postal Service, if Postmaster General Louis DeJoy were in charge of defining performance success for major league sports, he would consider a run scored if second base is passed or a touchdown is made if the ball is advanced farther than the 30-yard line; he’d lower the basket to six feet from the floor, and enlarge the hockey goal to eight feet wide. By those measures, even mediocre performance would be defined as having met the established criteria for success.

In his real job as head of the Postal Service, he’s doing the same thing, repeatedly easing any measure that defines the provision of timely service, and lowering standards so that, even if his agency provides only slow, mediocre service, the relaxed standards and targets he sets can still let his publicists claim success in providing “world-class service.”

Standards vs targets vs performance

For all market-dominant mail, the Postal Service has established *service standards* (see 39 CFR 121) described in days from origin to destination, then sets *targets* for the attainment of those standards, described in percentages.

In the chart at right, the targets for domestic First-Class Mail are for the specific day-based service standards shown. However, the service standards for Periodicals (1-28 days), Marketing Mail (2-27 days), and Package Services (2-26 days) vary based on preparation, time of entry, and the locations of and the distance between the origin and destination. For Special Services, the targets vary based on the nature of the service and the standard established for how quickly it’s to be performed or rendered. The targets are the “goal lines” defining achievement of the applicable service standard.

Targets vs performance

As the chart shows, Postal Service performance missed all of the FY 2024 targets for First-Class Mail and Periodicals, and most of the targets for Marketing Mail; in all, 72% (21 of 29) of the targets were missed. Such results do not reflect a “high-performing” organization or one whose operations are run with “precision,” as the PMG often boasts.

However, in another example of how it wants to mask such poor performance, the Postal Service has simply lowered its official performance targets for Fiscal Year 2025, filed with the Postal Regulatory Commission on November 29, nearly two months after the fiscal year actually began.

As can be seen in the chart, the target for every product and service that missed the FY 2024 target has been *lowered* for FY 2025. The only higher targets are for the seven products and services that *did* hit their FY 2024 targets. Notably – or perhaps not, given DeJoy’s ambitions to build the parcel business and his repeated degradations of service expectations for First-Class Mail – the FY 2025 targets for parcel products are *higher* than those for letter and flat mail.

Translation

Putting these targets in practical terms for commercial producers of letter and flat products and their customers, if only

four out of five First-Class Mail letters with a 3-to-5-day service standard actually get delivered within that timeframe, the USPS can claim its performance met targets. The same would be true if four of five First-Class Mail flats met any applicable target. In most academic scoring, 80% would barely escape a “C” but, in Louis DeJoy’s lower-the-goalposts thinking, his agency would have been successful.

Product	FY 2024 Target (%)	FY 2024 Actual (Nation)	FY 2025 Target (%)	Change FY24/FY25 (%age pts)
First-Class Mail				
Single-Piece Letters/Cards				
Two-Day	93.00	86.90	87.00	-6.00
Three-to-Five Day	90.28	73.20	80.00	-10.28
International				
Outbound Single-Pc	91.84	72.30	80.00	-11.84
Inbound Letter Post	91.84	67.00	80.00	-11.84
Flats				
Overnight	95.00	78.60	80.00	-15.00
Two-Day	93.55	76.20	80.00	-13.55
Three-to-Five Day	92.00	69.10	80.00	-12.00
Presort Letters/Postcards				
Overnight	95.00	93.50	94.00	-1.00
Two-Day	95.00	91.50	92.00	-3.00
Three-to-Five Day	93.00	86.80	88.00	-5.00
Periodicals				
Within County	87.29	83.30	84.00	-3.29
Outside County	87.29	83.00	84.00	-3.29
Package Services				
Media Mail/Library Mail	90.00	96.70	97.00	+7.00
BPM Parcels	90.00	99.10	99.20	+9.20
BPM Flats	90.00	73.20	80.00	-10.00
Marketing Mail				
Carrier Route	94.62	93.00	94.00	-0.62
H/D & Saturation Letters	94.62	95.90	96.00	+1.34
H/D & Sat. Flats/Parcels	94.62	90.90	92.00	-2.62
Letters	94.62	95.20	95.20	-1.42
Flats	94.62	85.10	86.00	-6.62
Mixed Letters	94.62	92.00	93.00	-1.62
Mixed Flats/Parcels	94.62	84.20	85.00	-9.62
EDDM – Retail	94.62	81.90	83.00	-11.62
Parcels	94.62	98.80	98.90	+4.28
Special Services*				
Ancillary Services	90.00	83.60	84.00	-6.00
Internat’l Ancillary Svcs	90.00	99.90	99.90	+9.90
Address List Services	90.00	N/A	90.00	±0.00
Money Orders	90.00	100.00	99.90	+9.90
Post Office Box Service	90.00	86.90	87.00	-3.00
Stamp Fulfillment Svcs	90.00	99.00	99.10	+9.10

* Targets for certain products under Special Services are not required due to a semi-permanent reporting exception.

Persons with an understanding of what’s being done may find it deceitful for the PMG to build a set of standards and targets that enable poor performance to be obscured. However, fortunately for DeJoy, politicians, the media, and the public will take at face value his eventual claims of how USPS service in FY 2025 has “improved” over the preceding year; that he simply changed the scoring rules won’t be noticed, only the final score.

Mail Volume Excluded from Measurement Remains Significant

In a November 29 filing with the Postal Regulatory Commission, the Postal Service reported the volume of mail “in measurement” during PQ IV (July-September). Potentially measurable volume was about 23.224 billion pieces, but only 15.772 billion (67.91%) actually were “in measurement;” some categories saw less mail in measurement than in PQ IV

of FY 2023. No data was shown for full-rate First-Class Mail, and data for all classes was incomplete; the USPS excludes some mail from measurement for one of fifteen reasons. Regardless, the result is that, at best, claimed performance scores are misleading and likely not representative of the real service performance experienced by ratepayers.

PQ IV/FY 2024	Service Std or Entry Type	FY24 Q4 vs SPLY	Total # of Pcs (RPW-ODIS) (a)	# of Pcs Eligible for FS IMB (b)	# of FS IMB Pcs Incl in Measurement (c)	% of FS IMB Pcs in Measurement (c/b)	# of FS IMB Pcs Excl from Meas'mnt (d)	% of FS IMB Pcs Not in Meas'mnt (d/b)	# of Pcs in Measurement (e)	# of Pcs Not in Measurement (a-e)	% of Pcs in Measurement (e/a)	% of Pcs Not in Measurement ((a-e)/a)
First-Class Mail		FY24Q4 SPLY	7,889,897,111 7,973,462,132	7,649,645,720 7,652,439,625	5,364,960,116 5,363,490,493	72.33% 72.66%	2,052,192,361 2,018,601,230	27.67% 27.34%	5,364,960,116 5,363,490,493	2,524,936,995 2,609,971,639	68.00% 67.27%	32.00% 32.73%
Presort Letters/Postcards	Combined Service Stds	FY24Q4 SPLY	7,782,720,363 7,862,228,947	7,542,733,895 7,543,956,936	5,298,222,074 5,297,768,539	72.40% 72.76%	2,019,597,671 1,983,848,742	27.60% 27.24%	5,298,222,074 5,297,768,539	2,484,498,289 2,564,460,408	68.08% 67.38%	31.92% 32.62%
	Overnight	FY24Q4 SPLY	736,240,705 831,741,591	Unable to Collect Unable to Collect	442,251,852 453,015,546	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	442,251,852 453,015,546	293,988,853 378,726,045	60.07% 54.47%	39.93% 45.53%
	Two-Day	FY24Q4 SPLY	776,189,977 790,452,358	Unable to Collect Unable to Collect	573,353,951 580,355,346	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	573,353,951 580,355,346	202,836,026 210,097,012	73.87% 73.42%	26.13% 26.58%
	Three-Day	FY24Q4 SPLY	3,054,469,981 3,171,097,864	Unable to Collect Unable to Collect	2,138,487,065 2,050,667,921	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	2,138,487,065 2,050,667,921	915,982,916 1,120,429,943	70.01% 64.67%	29.99% 35.33%
	Four-Day	FY24Q4 SPLY	2,294,103,427 2,217,047,888	Unable to Collect Unable to Collect	1,466,053,676 1,574,537,974	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	1,466,053,676 1,574,537,974	828,049,751 642,509,914	63.91% 71.02%	36.09% 28.98%
	Five-Day	FY24Q4 SPLY	921,716,273 851,889,246	Unable to Collect Unable to Collect	678,075,530 639,191,752	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	678,075,530 639,191,752	243,640,743 212,697,494	73.57% 75.03%	26.43% 24.97%
	Presort Flats	Combined Service Stds	107,176,748 111,233,185	106,911,825 108,482,689	66,738,042 65,721,954	67.19% 65.41%	32,594,690 34,752,488	32.81% 34.59%	66,738,042 65,721,954	40,438,706 45,511,231	62.27% 59.08%	37.73% 40.92%
	Overnight	FY24Q4 SPLY	5,762,682 6,532,702	Unable to Collect Unable to Collect	3,579,177 3,570,239	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	3,579,177 3,570,239	2,183,505 2,962,463	62.11% 54.65%	37.89% 45.35%
	Two-Day	FY24Q4 SPLY	12,501,247 12,413,267	Unable to Collect Unable to Collect	6,844,807 7,176,478	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	6,844,807 7,176,478	5,656,440 5,236,789	54.75% 57.81%	45.25% 42.19%
	Three-Day	FY24Q4 SPLY	42,769,096 44,461,701	Unable to Collect Unable to Collect	29,421,737 26,531,049	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	29,421,737 26,531,049	13,347,359 17,930,652	68.79% 59.67%	31.21% 40.33%
	Four-Day	FY24Q4 SPLY	29,992,864 31,931,494	Unable to Collect Unable to Collect	18,418,450 18,550,850	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	18,418,450 18,550,850	11,574,414 13,380,644	61.41% 58.10%	38.59% 41.90%
	Five-Day	FY24Q4 SPLY	16,150,860 15,894,020	Unable to Collect Unable to Collect	8,473,871 9,893,338	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	8,473,871 9,893,338	7,676,989 6,000,682	52.47% 62.25%	47.53% 37.75%
Marketing Mail		FY24Q4 SPLY	14,670,588,651 13,850,154,607	12,656,774,175 11,753,857,615	9,456,319,585 8,965,329,212	76.08% 77.57%	2,972,649,045 2,592,516,486	23.92% 22.43%	10,070,576,218 9,583,371,041	4,600,012,433 4,266,783,566	68.64% 69.19%	31.36% 30.81%
High Density & Saturation Ltrs	Combined Entry Types	FY24Q4 SPLY	1,535,740,542 1,258,701,161	1,533,755,146 1,252,200,163	1,106,861,262 870,919,238	74.17% 71.55%	385,464,539 346,375,574	25.83% 28.45%	1,106,861,262 870,919,238	428,879,280 387,781,923	72.07% 69.19%	27.93% 30.81%
	Destination Entry 2-Day	FY24Q4 SPLY	0 0	Unable to Collect Unable to Collect	0 0	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	0 0	0 0	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect
	Dest Entry 3-to-5-Day	FY24Q4 SPLY	1,383,604,704 1,129,356,338	Unable to Collect Unable to Collect	976,660,876 761,574,757	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	976,660,876 761,574,757	406,943,828 367,781,581	70.59% 67.43%	29.41% 32.57%
	Dest Entry 5-Day & Above	FY24Q4 SPLY	64,472,851 59,435,274	Unable to Collect Unable to Collect	54,251,494 40,653,657	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	54,251,494 40,653,657	10,221,357 18,781,617	84.15% 68.40%	15.85% 31.60%
	End-to-End 3-to-5-Day	FY24Q4 SPLY	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	39,127,007 38,655,203	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	39,127,007 38,655,203	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect
	End-to-End 6-to-10-Day	FY24Q4 SPLY	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	34,846,982 28,811,079	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	34,846,982 28,811,079	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect
	End-to-End 11-Day & Above	FY24Q4 SPLY	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	1,974,903 1,224,542	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	1,974,903 1,224,542	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect
	High Density & Sat Flats/Parcels	Combined Entry Types	2,073,580,574 2,028,029,489	415,792,348 330,042,544	241,814,825 196,429,114	62.24% 65.72%	146,689,508 102,464,775	37.76% 34.28%	774,550,527 732,395,670	1,299,030,047 1,295,633,819	37.35% 36.11%	62.65% 63.89%
	Destination Entry 2-Day	FY24Q4 SPLY	1,053,278,709 1,109,146,793	Unable to Collect Unable to Collect	0 0	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	532,735,702 535,966,556	520,543,007 573,180,117	50.58% 48.32%	49.42% 51.68%
	Dest Entry 3-to-5-Day	FY24Q4 SPLY	959,570,567 861,772,932	Unable to Collect Unable to Collect	219,985,379 181,583,541	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	219,985,379 181,583,541	739,585,188 680,189,391	22.93% 21.07%	77.07% 78.93%
	Dest Entry 5-Day & Above	FY24Q4 SPLY	29,393,576 22,618,657	Unable to Collect Unable to Collect	8,768,598 8,838,316	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	8,768,598 8,838,316	20,624,978 13,780,341	29.83% 39.08%	70.17% 60.92%
	End-to-End 3-to-5-Day	FY24Q4 SPLY	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	11,736,767 4,496,627	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	11,736,767 4,496,627	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect
	End-to-End 6-to-10-Day	FY24Q4 SPLY	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	1,186,926 1,431,465	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	1,186,926 1,431,465	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect
	End-to-End 11-Day & Above	FY24Q4 SPLY	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	137,155 79,165	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	137,155 79,165	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect
Carrier Route (Flats & Letters)	Combined Entry Types	FY24Q4 SPLY	855,953,457 830,667,590	857,380,854 824,055,023	584,811,101 519,357,377	68.82% 63.47%	264,946,267 298,939,328	31.18% 36.53%	584,811,101 519,357,377	271,142,356 311,310,213	68.32% 62.52%	31.68% 37.48%
	Destination Entry 2-Day	FY24Q4 SPLY	7,394,005 8,541,730	Unable to Collect Unable to Collect	0 0	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	0 0	7,394,005 8,541,730	0.00% 0.00%	100.00% 100.00%
	Dest Entry 3-to-5-Day	FY24Q4 SPLY	755,649,324 732,134,939	Unable to Collect Unable to Collect	511,010,570 457,748,166	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	511,010,570 457,748,166	244,638,754 274,386,773	67.63% 62.52%	32.37% 37.48%
	Dest Entry 5-Day & Above	FY24Q4 SPLY	66,612,995 65,011,086	Unable to Collect Unable to Collect	53,583,232 48,251,685	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	53,583,232 48,251,685	13,029,763 16,759,401	80.44% 74.22%	19.56% 25.78%
	End-to-End 3-to-5-Day	FY24Q4 SPLY	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	12,183,294 7,145,983	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	12,183,294 7,145,983	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect
	End-to-End 6-to-10-Day	FY24Q4 SPLY	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	7,113,896 5,185,198	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	7,113,896 5,185,198	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect
	End-to-End 11-Day & Above	FY24Q4 SPLY	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	920,109 1,026,345	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	920,109 1,026,345	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect	Unable to Collect Unable to Collect

PQ II/FY 2023	Service Std or Entry Type	vs SPLY	Total # of Pcs (RPW-ODIS) (a)	# of Pcs Eligible for FS IMB (b)	# of FS IMB Pcs Incl in Measurement (c)	% of FS IMB Pcs in Measurement (c/b)	# of FS IMB Pcs Excl from Meas'mnt (d)	% of FS IMB Pcs Not in Meas'mnt (d/b)	# of Pcs in Measurement (e)	# of Pcs Not in Measurement (a-e)	% of Pcs in Measurement (e/a)	% of Pcs Not in Measurement ((a-e)/a)
Letters	Combined Entry Types	FY24Q4 SPLY	9,596,263,263	9,385,570,436	7,204,259,376	77.84%	2,051,384,461	22.16%	7,204,259,376	2,392,003,887	75.07%	24.93%
	Destination Entry 2-Day	FY24Q4 SPLY	9,073,223,249	8,842,090,053	7,019,937,749	80.33%	1,718,866,152	19.67%	7,019,937,749	2,053,285,500	77.37%	22.63%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
	Dest Entry 3-to-5-Day	FY24Q4 SPLY	7,110,359,436	6,598,035,894	5,393,200,666	80.33%	1,205,035,228	18.28%	5,393,200,666	1,717,158,770	75.85%	24.15%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
	Dest Entry 5-Day & Above	FY24Q4 SPLY	928,477,400	889,032,667	805,169,190	90.91%	88,308,210	9.09%	805,169,190	123,308,210	86.72%	13.28%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
	End-to-End 3-to-5-Day	FY24Q4 SPLY	297,550,062	285,289,939	285,289,939	100.00%	0	0.00%	297,550,062	11,510,123	96.12%	3.88%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
	End-to-End 6-to-10-Day	FY24Q4 SPLY	684,724,284	635,215,523	635,215,523	100.00%	0	0.00%	684,724,284	11,510,123	96.12%	3.88%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
	End-to-End 11-Day & Above	FY24Q4 SPLY	23,615,174	21,748,534	21,748,534	100.00%	0	0.00%	23,615,174	1,866,640	92.12%	7.88%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
Flats	Combined Entry Types	FY24Q4 SPLY	472,263,214	464,275,391	318,573,021	71.96%	124,164,270	28.04%	318,573,021	153,690,193	67.46%	32.54%
	Destination Entry 2-Day	FY24Q4 SPLY	524,962,146	505,469,832	358,685,734	70.22%	146,784,098	22.44%	358,685,734	166,276,412	68.33%	31.67%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
	Dest Entry 3-to-5-Day	FY24Q4 SPLY	232,743,740	217,550,062	157,669,608	72.45%	60,080,454	27.55%	157,669,608	75,074,132	67.74%	32.26%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
	Dest Entry 5-Day & Above	FY24Q4 SPLY	257,760,542	242,179,939	181,242,179	74.83%	60,937,770	24.17%	181,242,179	76,518,363	70.31%	29.69%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
	End-to-End 3-to-5-Day	FY24Q4 SPLY	78,033,735	71,173,222	69,183,774	97.23%	1,989,448	2.77%	69,183,774	8,849,961	88.66%	11.34%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
	End-to-End 6-to-10-Day	FY24Q4 SPLY	80,022,927	77,220,808	77,220,808	100.00%	0	0.00%	80,022,927	11,150,295	87.77%	12.23%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
	End-to-End 11-Day & Above	FY24Q4 SPLY	21,247,582	20,080,808	20,080,808	100.00%	0	0.00%	21,247,582	1,866,640	91.17%	8.83%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect
EDDM	Two-Day	FY24Q4 SPLY	638,269,051	598,459,649	331,172,118	68.30%	153,722,229	31.70%	331,172,118	307,096,933	51.89%	48.11%
			136,787,601	134,570,972	0	0.00%	0	0.00%	81,520,931	55,266,670	59.60%	40.40%
Periodicals		FY24Q4 SPLY	134,570,972	134,570,972	0	0.00%	0	0.00%	82,075,273	52,495,699	60.99%	39.01%
			688,205,166	642,946,376	325,028,903	61.06%	207,323,674	38.94%	325,028,903	363,176,263	47.23%	52.77%
In-County	Combined Entry Types	FY24Q4 SPLY	121,680,223	115,640,493	6,962,427	6.02%	114,717,796	99.00%	6,962,427	114,717,796	5.72%	94.28%
			113,630,895	108,124,874	6,984,921	6.17%	106,645,974	98.54%	6,984,921	106,645,974	6.15%	93.85%
	Dest Entry	FY24Q4 SPLY	2,562,770	2,562,770	2,562,770	100.00%	0	0.00%	2,562,770	0	100.00%	0.00%
			2,943,430	2,943,430	2,943,430	100.00%	0	0.00%	2,943,430	0	100.00%	0.00%
Outside County	Combined Entry Types	FY24Q4 SPLY	4,399,657	4,041,491	4,041,491	100.00%	0	0.00%	4,399,657	0	100.00%	0.00%
			516,588,828	482,819,156	324,209,691	67.12%	153,722,229	31.70%	324,209,691	192,379,137	62.76%	37.24%
	Dest Entry	FY24Q4 SPLY	574,574,271	534,821,502	318,043,982	59.65%	216,780,520	37.73%	318,043,982	256,530,289	55.35%	44.65%
			380,216,866	350,000,000	264,027,694	68.57%	85,972,306	22.62%	264,027,694	116,189,172	69.44%	30.56%
Package Services	Combined Entry Types	FY24Q4 SPLY	427,711,360	406,000,000	253,175,125	62.81%	152,824,875	37.19%	253,175,125	174,536,235	59.19%	40.81%
			136,371,962	126,862,911	60,181,997	47.84%	66,680,914	52.16%	60,181,997	76,189,965	44.13%	55.87%
	Dest Entry	FY24Q4 SPLY	146,862,911	136,862,911	64,868,857	47.46%	71,994,054	52.54%	64,868,857	81,994,054	44.17%	55.83%
			25,553,156	26,445,343	5,017,113	19.00%	21,428,230	82.00%	5,017,113	20,536,043	19.63%	80.37%
BPM Flats	Combined Entry Types	FY24Q4 SPLY	28,417,315	28,078,900	7,082,770	25.22%	21,336,135	76.78%	7,082,770	21,334,545	24.92%	75.08%
			25,553,156	26,445,343	5,017,113	19.00%	21,428,230	82.00%	5,017,113	20,536,043	19.63%	80.37%
	Dest Entry	FY24Q4 SPLY	23,250,167	22,505,292	4,670,878	20.79%	18,579,289	82.21%	4,670,878	18,579,289	20.09%	79.91%
			2,302,989	2,912,023	346,235	15.03%	2,566,754	89.97%	346,235	1,956,754	15.03%	84.97%
BPM Flats	End-to-End	FY24Q4 SPLY	2,912,023	2,912,023	276,765	9.50%	2,635,258	90.50%	276,765	2,635,258	9.50%	90.50%
			0	0	0	Unable to Collect	0	Unable to Collect	0	0	Unable to Collect	Unable to Collect

Catalogs Remain Part of Holiday Shopping

As reported November 30 by *Newsweek*, the absence of big-box retailers’ traditional catalogs doesn’t mean that catalogs have disappeared or aren’t still effective shopping tools for consumers. As the article noted,

“With consumers gearing up to do some holiday shopping this year, Lands’ End, Duluth Trading Company, and Hammacher Schlemmer are among the many brands opting for smaller, post-card-like formats in a bid to cut postage and paper expenses. The downsizing trend reflects broader shifts in marketing as the once staple of American living rooms, thick catalogs from brands like Sears and JC Penney have dwindled and been replaced by compact mailings and digital platforms. ... The shift comes as recent postal hikes have pushed brands to adopt smaller formats. The latest round of postage hikes was in July, with the [USPS] increasing the price by 7.8% and impacted the category with the 8.5-by-11-inch size that used to be ubiquitous for the catalog industry.”

A spokesperson for the American Catalog Mailers Association noted that some brands are moving to smaller formats, such

as the 10.5 x 5.5 “slim jim” format. However, there’s at least one traditionalist – LL Bean – sticking with full size.

“By showcasing our icons, the catalog became an icon itself. Even as we invest more in our digital and brand marketing channels, the catalog retains a strong association with our brand, and is therefore an important part of our omni-channel strategy, especially for our loyal customers.”

A college professor was cited as making an important point about the value and role of printed catalogs:

“The reason why these paper formats are so effective is that our human brains haven’t evolved as fast as technology and computers over the past 10 to 20 years. We retain more information when we read something on paper. ... The psychology shows that three-dimensional, tactile experiences are more memorable.”

Hopefully, while older generations still can relate to paper, new shoppers will come to agree that, despite online, paper catalogs are still a relevant part of the shopping experience.

Assuring Seasonal Success

The Postal Service has been diligent in assuring ratepayers that it will provide good service, first over the election season and, now, over the holiday mailing and shipping season.

The election

In the run-up to the November 5 election, the Postal Service was actively working with local election officials to ensure ballot mailings were properly prepared and publicizing the “extraordinary measures” it would take to capture election mail and deliver it by the applicable deadlines.

From all appearances, the USPS did as promised; despite the vagaries of local voting cycles and mailing practices, watchful politicians found few instances in which to complain about the agency’s performance. Though the media reported a few incidents of delayed or misdirected ballots, those did not support any claims of wider failure by the Postal Service.

Overall, the absence of critical stories can be interpreted as meaning the Postal Service did well.

The holidays

As it does every year, the USPS has been promoting its services for holiday mailing – especially now for its package services, given Postmaster General Louis DeJoy’s desire to make the agency into the “preferred provider” to move parcels.

In addition to the “mail early” messages it sends annually, the USPS publicity has been reassuring of a smooth mailing season, with press releases emphasizing seasonal hiring, additional equipment, and upgraded processing facilities.

Looking at the situation more objectively, the Postal Service’s Office of Inspector General has nonetheless agreed. In *Fiscal Year 2025 Peak Season Preparedness*, an audit report released November 21, the OIG found that

“... the Postal Service developed its FY 2025 peak season preparedness initiatives to build upon the successes it had during prior peak seasons. Specifically, the Postal Service’s FY 2025 peak season initiatives spanned multiple functions, including processing and distribution, logistics, and retail and delivery operations.

“In processing, we identified the increase in packages – especially the growing number of manually processed, oversized packages that require more space in facilities – as one risk to peak season operations. To mitigate this risk, processing and distribution operations are using new facilities and clearing floor space in existing facilities for package staging and to deploy new, larger capacity machines, to increase the percentage of machinable packages. In logistics, we identified risks related to changing contracts for air capacity and moving more package volume to surface transportation. To mitigate these risks, logistics will use pre-planned trucks, conduct simulations, and develop an option to use mass solicitations for additional drivers. In delivery and retail, there is a risk of too little space, too few employees, and too few vehicles to deliver the increased mail volume. To mitigate this, retail and delivery operations has a plan to identify sites that may need additional resources, a plan to create extra package runs, and options to rent additional truck and facility space.”

Of course, despite its apparent election season success, whether the USPS also can achieve a smooth holiday season will be best known in about a month.

October Financials: Eleven More Octobers Needed

After ending its 2024 fiscal year with a staggering \$9.52 billion loss, the Postal Service started fiscal 2025 with significantly better volume and revenue, thanks to pre-election mailings and the start of the holiday shipping season. Compared to October 2023, market-dominant mail volume was up 13.6% while competitive product volume – more important to the PMG’s 10-Year Plan – was 5.4% higher.

Total revenue was 3.4% above plan and 10.9% better than October 2023, while total operating expenses were 6.4% under plan and only 1.9% higher than last October, resulting in net income of \$701 million for the month, nearly \$800 million better than last October. (As the first month of the fiscal year, October’s data and year-to-date data are the same.)

Given the concurrence of the mail-intensive seasons, the strong October should give the Postal Service’s first quarter – usually its best – a strong boost, especially if mail and package volumes continue to perform reasonably well.

Volume and revenue

Total volume for the month exceeded the previous October, likely boosted by pre-election and seasonal mailing activity:

First-Class Mail: 3.845 bln pcs, +1.3%
Marketing Mail: 7.219 bln pcs, +22.4%
Periodicals: 242.3 mln pcs, -0.3%
Total Mkt Dom: 11.365 bln pcs, +13.6%
Total Competitive: 576.8 mln pcs, +3.2%
Total USPS: 11.963 bln pcs, +13.0%

The surge in volume was reflected in generally higher revenue, with total revenue 10.9% higher than October 2023.

USPS operating revenue for the month was \$7.670 billion:

First-Class Mail: \$2.351 bln, +9.8%
Marketing Mail: \$1.976 bln, +24.5%
Periodicals: \$0.087 bln, +9.1%
Total Mkt Dominant: \$4.756 bln, +14.8%
Total Competitive: \$2.797 bln, +5.4%
Total USPS: \$7.670 bln, +10.9%

Expenses and workhours

Total “controllable” compensation and benefit costs for the month were \$5.441 billion, 3.9% over plan and 8.5% higher than October 2023; total expenses were \$7.046 billion, 6.4% under plan and 2.0% higher than a year earlier.

As transportation is trimmed to align with lower service standards, the related monthly costs (\$681 million) were 4.1% below plan and 13.0% less than October 2023. Suspension of facility construction over the election and holiday seasons also helped lower non-personnel expenses. The workers’ compensation expense, blamed for driving the FY 2024 loss, swung favorably by \$900 million from last month – yielding 80% of the October bottom line’s black ink.

Workhour usage was 2.7% over plan and 4.6% higher than October 2023. Again, the USPS workforce is essentially unchanged, and with **more career employees**.

Month’s end complement: 640,134 employees (534,126 career, 106,008 non-career) **-0.04%** compared to October 2023 (642,747 employees: 525,914 career, 116,833 non-career), but **1.56% more career workers**.

All the numbers are on the next page.

USPS Preliminary Information (Unaudited) – October 2024 ¹

OPERATING DATA OVERVIEW ^{1,2}		Current Period					Year-to-Date				
Revenue/Volume/Workhours (Millions)		Actual	Plan	SPLY	% Plan Var	% SPLY Var	Actual	Plan	SPLY ⁵	% Plan Var	% SPLY Var
Revenue											
Operating Revenue		\$7,671	\$7,422	\$6,917	3.4%	10.9%	\$7,671	\$7,422	\$6,917	3.4%	10.9%
Other Revenue		\$1	\$1	\$--	--	NMF	\$1	\$1	\$--	--	NMF
Total Revenue		\$7,672	\$7,423	\$6,917	3.4%	10.9%					
Operating Expenses											
Personnel Compensation and Benefits		\$5,349	\$5,713	\$5,132	-6.4%	4.2%	\$5,349	\$5,713	\$5,132	-6.4%	4.2%
Transportation		\$681	\$710	\$783	-4.1%	-13.0%	\$681	\$710	\$783	-4.1%	-13.0%
Supplies and Services		\$236	\$304	\$255	-22.4%	-7.5%	\$236	\$304	\$255	-22.4%	-7.5%
Other Expenses		\$728	\$744	\$692	-2.2%	5.2%	\$728	\$744	\$692	-2.2%	5.2%
Total Operating Expenses		\$6,994	\$7,471	\$6,862	-6.4%	1.9%	\$6,994	\$7,471	\$6,862	-6.4%	1.9%
Net Operating Income/Loss		\$678	-\$48	\$55							
Interest Income		\$75	\$74	\$84	1.4%	-10.7%	\$75	\$74	\$84	1.4%	-10.7%
Interest Expense		\$52	\$53	\$46	-1.9%	13.0%	\$52	\$53	\$46	-1.9%	13.0%
Net Income/Loss		\$701	-\$27	\$93							
Mail Volume											
Total Market Dominant Products ³		11,365	11,002	10,001	3.3%	13.6%	11,365	11,002	10,001	3.3%	13.6%
Total Competitive Products ³		577	528	559	9.3%	3.2%	577	528	559	9.3%	3.2%
Total International Products		21	20	23	5.0%	-8.7%	21	20	23	5.0%	-8.7%
Total Mail Volume		11,963	11,550	10,583	3.6%	13.0%					
Total Workhours		101	98	97	3.1%	4.1%	101	98	97	3.1%	4.1%
Total Career Employees		534,126		525,914		1.6%					
Total Non-Career Employees		106,008		116,833		-9.3%					
MAIL VOLUME and REVENUE ^{1,2}		Current period				Year-to-Date					
Pieces and Dollars (Thousands)		Actual		SPLY	% SPLY Var	Actual		SPLY	% SPLY Var		
First Class (excl. all parcels and Int'l.)											
Volume		3,844,594		3,795,565	1.3%	3,844,594		3,795,565	1.3%		
Revenue		\$2,351,185		\$2,140,470	9.8%	\$2,351,185		\$2,140,470	9.8%		
Periodicals											
Volume		242,340		243,151	-0.3%	242,340		243,151	-0.3%		
Revenue		\$86,627		\$79,419	9.1%	\$86,627		\$79,419	9.1%		
Marketing Mail (excl. all parcels and Int'l.)											
Volume		7,219,410		5,899,899	22.4%	7,219,410		5,899,899	22.4%		
Revenue		\$1,975,672		\$1,587,058	24.5%	\$1,975,672		\$1,587,058	24.5%		
Package Svcs. (ex. Inb'd. Intl Surf. PP @ UPU rates)											
Volume		38,827		38,771	0.1%	38,827		38,771	0.1%		
Revenue		\$81,320		\$79,279	2.6%	\$81,320		\$79,279	2.6%		
All other Market Dominant Mail											
Volume		20,285		23,536	-13.8%	20,285		23,536	-13.8%		
Revenue		\$260,820		\$257,734	1.2%	\$260,820		\$257,734	1.2%		
Total Market Dominant Products (ex. all Int'l.)											
Volume		11,365,457		10,000,922	13.6%	11,365,457		10,000,922	13.6%		
Revenue		\$4,755,625		\$4,143,959	14.8%	\$4,755,625		\$4,143,959	14.8%		
Shipping and Package Services											
Volume		576,823		558,899	3.2%	576,823		558,899	3.2%		
Revenue		\$2,684,038		\$2,533,922	5.9%	\$2,684,038		\$2,533,922	5.9%		
All other Competitive Products											
Volume		-		-	0.0%	-		-	0.0%		
Revenue		\$113,329		\$119,186	-4.9%	\$113,329		\$119,186	-4.9%		
Total Competitive Products (ex. all Int'l.)											
Volume		576,823		558,899	3.2%	576,823		558,899	3.2%		
Revenue		\$2,797,367		\$2,653,178	5.4%	\$2,797,367		\$2,653,178	5.4%		
Total International ⁴											
Volume		20,995		22,615	-7.2%	20,995		22,615	-7.2%		
Revenue		\$117,258		\$119,308	-1.7%	\$117,258		\$119,308	-1.7%		
Total											
Volume		11,963,275		10,582,436	13.0%	11,963,275		10,582,436	13.0%		
Revenue		\$7,670,250		\$6,916,445	10.9%	\$7,670,250		\$6,916,445	10.9%		
EXPENSES OVERVIEW ^{1,2}		Current Period					Year-to-Date				
Dollars (Millions)		Actual	Plan	SPLY	% Plan Var	% SPLY Var	Actual	Plan	SPLY	% Plan Var	% SPLY Var
Controllable Pers. Comp. & Benefits		\$5,441	\$5,238	\$5,017	3.9%	8.5%	\$5,441	\$5,238	\$5,017	3.9%	8.5%
FERS Unfunded Liabilities Amortization ⁶		\$200	\$200	\$192	0.0%	4.2%	\$200	\$200	\$192	0.0%	4.2%
CSRS Unfunded Liabilities Amortization ⁶		\$275	\$275	\$267	0.0%	3.0%	\$275	\$275	\$267	0.0%	3.0%
Workers' Compensation ⁷		-\$567	\$--	-\$344	NMF	64.8%	-\$567	\$--	-\$344	NMF	64.8%
Total Pers. Comp. & Benefits		\$5,349	\$5,713	\$5,132	-6.4%	4.2%	\$5,349	\$5,713	\$5,132	-6.4%	4.2%
Total Non-Personnel Expenses		\$1,645	\$1,758	\$1,730	-6.4%	-4.9%	\$1,645	\$1,758	\$1,730	-6.4%	-4.9%
Total Expenses (incl. interest)		\$7,046	\$7,524	\$6,908	-6.4%	2.0%	\$7,046	\$7,524	\$6,908	-6.4%	2.0%
WORKHOURS ^{1,2,3}		Current Period					Year-to-Date				
Workhours (Thousands)		Actual	Plan	SPLY	% Plan Var	% SPLY Var	Actual	Plan	SPLY	% Plan Var	% SPLY Var
City Delivery		37,602	36,509	35,784	3.0%	5.1%	37,602	36,509	35,784	3.0%	5.1%
Mail Processing		16,777	15,928	16,360	5.3%	2.5%	16,777	15,928	16,360	5.3%	2.5%
Customer Services & Retail		12,133	11,831	11,991	2.6%	1.2%	12,133	11,831	11,991	2.6%	1.2%
Rural Delivery		19,566	19,608	18,375	-0.2%	6.5%	19,566	19,608	18,375	-0.2%	6.5%
Other		15,046	14,622	14,206	2.9%	5.9%	15,046	14,622	14,206	2.9%	5.9%
Total Workhours		101,124	98,498	96,716	2.7%	4.6%	101,124	98,498	96,716	2.7%	4.6%

As the first month of the fiscal year, October data are the same as for the year to date.

As the first month of the fiscal year, October data are the same as for the year to date.

¹/October 2024 had one more delivery and one more retail day compared to October 2023. YTD has one more delivery day and one more retail day compared to the same period last year (SPLY). ²/Numbers may not add due to rounding and/or adjustments. Percentages calculated using unrounded numbers. The sampling portion of the RPW system is designed to be statistically valid on a quarterly and annual basis. ³/Excludes all International. ⁴/Includes Current Period Market Dominant Volume of 9,932 and Revenue of \$15,440; SPLY Market Dominant Volume of 11,425 (-13.1%) and Revenue of \$16,982 (-9.1%). Also includes Current Period Competitive Volume of 11,063 and Revenue of \$101,918; SPLY Competitive Volume of 11,190 (-1.1%) and Revenue of \$102,326 (-0.5%). ⁵/ This represents the US Office of Personnel Management (OPM) estimated amortization expense related to the Federal Employee Retirement System (FERS) and Civil Service Retirement System (CSRS). The actual invoices will be received between September 2025 and October 2025. ⁶/This represents non-cash adjustments: the impact of discount and inflation rate changes and the actuarial revaluation of new and existing cases. NMF = Not Meaningful Figure, percentages +/- 200% or greater.

All the Official Stuff

Federal Register

Postal Service

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November 21: Change in Rates and Classifications of General Applicability for Competitive Products, 92201-92202; Product Change [74]: Priority Mail Express, Priority Mail, and USPS Ground Advantage Negotiated Service Agreement [56] 92191, 92192, 92192, 92193, 92193, 92193, 92193, 92194, 92194, 92194, 92194, 92194, 92194, 92195, 92195, 92196, 92196, 92196, 92196, 92197, 92197, 92197, 92197, 92198, 92198, 92198, 92198, 92199, 92199, 92199, 92199, 92200, 92200, 92200, 92200, 92200, 92201, 92202-92203, 92203, 92203, 92203, 92204, 92204, 92204, 92204, 92204, 92205, 92205, 92205, 92205, 92206, 92206, 92207; Priority Mail and USPS Ground Advantage Negotiated Service Agreement [18], 92191, 92192, 92192, 92192, 92195, 92195, 92195, 92196, 92197, 92198, 92199, 92200, 92201, 92203, 92204, 92205, 92206, 92206.

November 28: Product Change [70]: Mid-Market-Non-Published Rates, 94771; Priority Mail Express, Priority Mail, and USPS Ground Advantage Negotiated Service Agreement [51], 94770, 94770, 94770, 94770, 94771, 94771, 94771, 94771, 94772, 94772, 94773, 94773, 94773, 94773, 94774, 94774, 94774, 94774, 94775, 94775, 94776, 94776, 94777, 94777, 94777, 94777, 94777, 94778, 94778, 94778, 94778, 94779, 94779, 94779, 94780, 94780, 94780, 94780, 94781, 94781, 94781, 94781, 94782, 94782, 94782, 94782, 94782; Priority Mail and USPS Ground Advantage Negotiated Service Agreement [18], 94772, 94772, 94773, 94774, 94775, 94775, 94775, 94776, 94776, 94776, 94777, 94777, 94779, 94779, 94781, 94783.

PROPOSED RULES

November 26: Cremated Remains Packaging Requirements, 93238-93239.

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November 27: Domestic Competitive Products Pricing and Mailing Standards Changes, 93477-93484.

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November 19: New Postal Products, 91437-91439.

November 20: New Postal Products [2], 91805-91807, 91807-91809.

November 21: Mail Classification Schedule, 92187-92188; New Postal Products, 92188-92189; Service Standard Changes, 92190-92191.

November 22: Periodic Reporting, 92614-92616.

November 26: New Postal Products, 93367-93369.

November 27: New Postal Products [2], 93668-93669, 93669-93671.

November 29: New Postal Products, 94768-94770.

December 2: Competitive Postal Products, 95250-95252.

PROPOSED RULES

[None.]

FINAL RULES

[None.]

DMM Advisory

November 21: Priority Mail Express International Guarantee Suspension to Canada effective November 22, 2024.

November 29: International Service Suspension Notice – effective November 29, 2024. [Canada]

November 15: Monthly Labeling List Changes.

Postal Bulletin (PB 22664, November 28)

- Effective **January 19**, DMM 503.5.1.6 and 503.5.2.3 are revised to clarify the acceptance criteria for electronically submitted Certificate of Mailing forms PS 3665 and PS 3606-D. The Postal Service is revising the acceptance standards for Certificate of Mailing to allow electronically submitted form PS 3665, Certificate of Mailing – Firm (Domestic), with mailings of three or more pieces and electronically submitted form PS 3606-D, Certificate of Bulk Mailing – Domestic, of any number of pieces or weight in pounds to be presented at a Post Office Business-Mail Entry Unit (BMEU). Although the Postal Service will not publish this revision in the DMM until January 19, 2025, these standards are **effective immediately**.
- Effective **November 28**, various IMM Individual Country Listings are revised to add a request that the mailer provide certain contact information and other pertinent information and relevant documentation when mailing certain items.
- Effective **November 28**, the IMM Individual Country Listing for Chile is revised to delete the first observation (noting that First-Class Mail International and First-Class Package International Service items may not contain dutiable articles).
- Effective **November 28**, the IMM Individual Country Listing for Switzerland is revised to include a partial revision to the law for value added tax in Switzerland.

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.

USPS Industry Alerts

November 20, 2024

SAVE THE DATE: Southern Area AIM In-Person Meeting

Please make plans now to attend the Southern Area AIM Meeting on Wednesday, January 29, 2025, in Tampa, Florida. Info: SAAIM@usps.gov.

November 22, 2024

Update: PostalOne System - Promotions

Earlier this month, the United States Postal Service reported issues in processing some Promotion Discounts. Below is the latest status update on each issue: 1. Promotion Discounts Not Applied to Postage statements (Submitted between October 27, 2024 until October 30, 2024): Impacted mailers will be contacted by November 30, 2024. 2. Informed Delivery Promotion Discounts Not Applied to Some Finalized Statements: Data Repair scheduled for November 24, 2024; Impacted customers will be notified by US Postal Service on or before November 22, 2024. 3. Informed Delivery Promotion Processing: US Postal Service will conduct a data repair following the completion of the impact assessment; An Industry Alert will be sent by the end of November, 2024 to provide further updates. Next Steps: All impacted customers will be notified directly by The US Postal Service; no action is required from you at this time. We appreciate your patience and understanding as US Postal Service works to resolve this situation.

November 26, 2024

Retirement of USPS API V1 and V2 – January 22nd

The USPS API and USPS API Platform Versions 1 and 2 will no longer be supported after January 22, 2025. To ensure uninterrupted service, all customers must upgrade to Version 3. Why Upgrade to USPS API Version 3? Enhanced Features: Improved performance and new capabilities; Future-Ready: Designed for seamless integration with e-commerce platforms; Secure and Reliable: Compliant with the latest industry standards. How to Update to USPS API Version 3: 1. Updating to Version 3 is quick and easy: Log In to the USPS Developer Portal; Link: <https://developers.usps.com>; Access the latest Version 3 documentation and setup guides. 2. Update API URLs: Replace the old URLs with the new Version 3 endpoints (Tracking API: Tracking 3.0 | devportal; Rates API: Domestic Prices 3.0 | devportal; Shipping Labels API: Shipping Options 3.0 | devportal). 3. Test Your Integration: Verify all services are functioning properly with the new URLs. 4. Get Support if Needed; Use the resources on the USPS Developer Portal or contact USPS technical support for assistance. Contact Information: For questions or support, reach out to our technical team at: apisupport@usps.gov; For information on USPS APIs visit: <https://developers.usps.com/>; For information specific to USPS API onboarding, features, etc., please log in to your USPS API account on the developer portal (<https://developers.usps.com/>) and navigate to “Tech Sheets” in the menu.

November 27, 2024

Registration for Mail Growth Incentives 2025 Begins December 2, 2024

On May 30, 2024, the Postal Regulatory Commission approved the Postal Service request to offer the Mail Growth Incentives in 2025 (MGI 2025). This offering, similar to the MGI 2024 program, comprises two distinct incentives: a First-Class Mail Growth Incentive and a Marketing Mail Growth Incentive. Registration for Mail Growth Incentives 2025 will begin December 2, 2024. The last date to submit an MGI 2025 new registration request will be May 30, 2025. The last date to complete an in-process MGI 2025 registration request with an approved baseline will be June 30, 2025. To participate in the Mail Growth Incentives, customers must complete the registration process. Both the mail owner and the Postal Service must agree to the baseline before registration is considered to be complete.

Registration Process: Registration for the First-Class Mail and Marketing Mail Growth Incentives is to be completed in the Mailing Promotions Portal (MPP), accessed through the Business Customer Gateway. Within MPP, customers should click on “Submit Promotion/Incentive,” select the appropriate Mail Growth Incentive option from the picklist, and then select the registration option that applies to them: Existing customers with an approved baseline for a 2024 Mail Growth Incentive in the same mail class must choose the Re-Register option and follow directions. This will ensure the same CRID list (and account details) is carried over to their MGI 2025 registration service request (SR). Customers without an approved baseline in MGI 2024, or not intending to carry over the same CRID list from MGI 2024 into MGI 2025 should select the New Registration option for MGI 2025 and follow directions. In either case, once registration is initiated, a Service Request (SR) will be opened and all communications between registrant and USPS need to occur within the Service Request. Registrants should promptly review the baseline volume and associated CRIDs shown within the registration Service Request – accessible in the Related Tab. If the volume and CRID information is accurate, the registrant should click on the “I Agree” button to send the request to the Program Office for final approval. If the mail owner would like to discuss their registration, they should click the “I Disagree” button in the SR to begin a conversation with a postal representative. Discussions can take time, to investigate and review data, to reach consensus among all parties. To be eligible to participate in MGI 2025, each registration request must be initiated no later than May 30th and have a baseline that is approved by both the Mail Owner and the Postal Service by June 30th. Detailed information including Frequently Asked Questions, Terms and Conditions, and recorded presentations are available on PostalPro in First-Class Mail and Marketing Incentives under the “Resources” Link: [First-Class Mail and Marketing Mail Incentives | PostalPro \(usps.com\)](#).

November 27, 2024

Mail Spoken Here – November 2024 Edition – Industry Engagement & Outreach Newsletter

Please enjoy the latest edition of *Mail Spoken Here* attached. The newsletter contains informative and important articles on the following topics: USPS Recommends New Competitive Prices - Proposed Changes Would Take Effect in 2025; McReynolds to Lead USPS Board of Governors - Kan to Serve as Vice Chair; Taking Center Stage - A New USPS Delivery Vehicle is on Display at HQ; A Peek into the Future of USPS Retail - The Postal Service Unveils a New Prototype in Georgia; USPS is Delivering More COVID-19 Tests - The Organization has Distributed More Than 900 Million Since 2021; Keep Hazardous Materials Out of the Mail - USPS Begins Annual Campaign Focused on Employee, Customer Safety; USPS Announces New Chief Financial Officer - Joseph Corbett to Retire and be Succeeded by Luke Grossmann; Delivery Operations VP to Retire - Angela Curtis Began her USPS Career as a Letter Carrier; Delivery Operations Has a New VP - Mercado Named to Role on an Acting Basis; A Gold Rating - USPS Improves its International Express Mail Customer Service; Need it to Arrive by Dec. 25? Here's When to Send - USPS Releases Recommended Deadlines for Holiday Mail and Packages; Delivering a Safe Holiday Season - The Inspection Service has Tips to Avoid Being Scammed; SAVE THE DATE - Southern Area AIM In-Person Meeting; An Evergreen Theme - The First U.S. Christmas Stamp was Issued Nov. 1, 1962; New Stamps - Release Date, Location Updates (Here's a Sneak Peek at Next Year's Stamps - The Lineup Includes Releases Honoring Betty White, Allen Toussaint and Others; Mailers Technical Advisory Committee (MTAC); Upcoming Events; A few Fun Facts about December!; *Federal Register* Notices; Negotiated Service Agreements – Listing; The Latest *Postal Bulletins*. Thank you very much everyone. Happy Thanksgiving and happy holidays..

November 27, 2024

International Service Suspension Notice – Effective November 29, 2024

Effective November 29, 2024, the Postal Service will temporarily suspend international mail acceptance to Canada due to the foreign postal operator indicating that they are unable to process or deliver international mail or services because of the ongoing national strike by the Canadian Union of Postal Workers. Customers are asked to refrain from mailing items addressed to the following country, until further notice: **Canada**. This service disruption affects Priority Mail Express International (PMEI), Priority Mail International (PMI), First-Class Mail International (FCMI), First-Class Package International Service (FCPIS), International Priority Airmail (IPA), International Surface Air Lift (ISAL), Commercial ePacket (CeP), and M-Bag items. The Postal Service is closely monitoring the situation and will continue to update customers until the situation returns to normal. Regular updates on all postal service disruptions in Canada are available at canadapost.ca/negotiations (link) or please visit our International Service Alerts page for the most up to date information: https://about.usps.com/newsroom/service-alerts/international/?utm_source=residential&utm_medium=link&utm_campaign=res_to_intl.

November 29, 2024

Business Customer Gateway eDoc Training Series – Business Customer Gateway (BCG) and Postal Wizard (PW)

The Postal Service is hosting bi-weekly webinars on utilizing the Business Customer Gateway (BCG) for electronic documentation (eDoc) and postage statement submission. The topics alternate between using the Business Customer Gateway (BCG) / Postal Wizard (PW) and Intelligent Mail for Small Business (IMsb) Tool applications. Learn how to eliminate hard copy postage statements and submit Full-Service mail! Software customers should work with their software provider to find eDoc solutions. As an additional tool to assist mailers with the conversion to Electronic Postage Statement submission, the Postal Service has published a video outlining how to use the Business Customer Gateway and Postal Wizard postage statement submission available on PostalPro: Industry Session: Business Customer Gateway and Postal Wizard Recording | PostalPro (usps.com). Also, a recording of the IMsb Tool session has been posted on PostalPro: Industry Session: Intelligent Mail Small Business (IMsb) Tool Recording | PostalPro (usps.com). Upcoming webinars: December 3: Business Customer Gateway (BCG)/ Postal Wizard (PW); December 17: Intelligent Mail for Small Business Tool (IMsb). Join us for the next session – Intelligent Mail for Small Business Tool (IMsb) on Tuesday, December 13, 2024, at 1:00 PM EST. Meeting URL: <https://usps.zoomgov.com/j/1603767418?pwd=TFONWNVMXQ2UW1wcUVCCeT5WFILZz09>; 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).

Calendar

To register for any Mailers Hub webinar, go to MailersHub.com/events

December 3 – Mailers Hub Webinar

Starting January 9, 2025, Mailers Hub webinars will be at 1pm on **Thursdays**, rather than Tuesdays, to minimize conflicts with other events.

January 9 – Mailers Hub Webinar

January 14-15 – MTAC Meeting, USPS Headquarters

January 30 – Mailers Hub Webinar

February 20 – Mailers Hub Webinar

March 11-12 – MTAC Meeting, USPS Headquarters

March 13 – Mailers Hub Webinar

March 27-30 – MFSA Conference, Grapevine (TX)

April 3 – Mailers Hub Webinar

April 24 – Mailers Hub Webinar

April 27-30 – National Postal Forum, Nashville (TN)

May 15 – Mailers Hub Webinar

June 5 – Mailers Hub Webinar

June 8-12 – IPMA Conference, Spokane (WA)

June 26 – Mailers Hub Webinar

July 17 – Mailers Hub Webinar

July 22-23 – MTAC Meeting, USPS Headquarters

August 7 – Mailers Hub Webinar

August 28 – Mailers Hub Webinar

September 18 – Mailers Hub Webinar

October 7-8 – MTAC Meeting, USPS Headquarters

October 9 – Mailers Hub Webinar

October 22-24 – Printing United, Orlando (FL)

October 30 – Mailers Hub Webinar

November 20 – Mailers Hub Webinar

December 11 – Mailers Hub Webinar



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.

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USPS PROPOSED RULE – Cremated Remains Packaging Requirements

POSTAL SERVICE

39 CFR Parts 111 and 211

Cremated Remains Packaging Requirements

AGENCY: Postal Service

ACTION: Proposed rule.

SUMMARY: The Postal Service is proposing to amend Publication 52, *Hazardous, Restricted, and Perishable Mail* (Pub 52), by requiring mailers to solely use the Cremated Remains shipping supplies provided by the Postal Service when mailing human or animal cremated remains, also referred to as cremains or ashes, domestically or internationally.

DATES: Submit comments on or before December 26, 2024.

ADDRESSES: Mail or deliver written comments to the Director, Product Classification, US Postal Service, 475 L'Enfant Plaza SW, Room 4446, Washington, DC 20260-5015. If sending comments by email, include the name and address of the commenter and send to PCFederalRegister@usps.gov, with a subject line of "Cremated Remains Packaging Requirements." Faxed comments will not be accepted. You may inspect and photocopy all written comments, by appointment only, at USPS Headquarters Library, 475 L'Enfant Plaza SW, 11th Floor North, Washington, DC 20260. These records are generally available for review Monday through Friday, 8am to 4pm, by calling 202-268-2906.

FOR FURTHER INFORMATION CONTACT: Dale Kennedy, (202) 268-6592, or Jennifer Cox, (202) 268-2108.

SUPPLEMENTARY INFORMATION: All submitted comments and attachments are part of the public record and subject to disclosure. Do not enclose any material in your comments that you consider to be confidential or inappropriate for public disclosure.

The Postal Service proposes to amend Publication 52, *Hazardous, Restricted, and Perishable Mail* (Pub 52), with the provisions set forth herein. While not codified in title 39 of the *Code of Federal Regulations* (CFR), Publication 52 is a regulation of the Postal Service, and changes to it may be published in the *Federal Register*. 39 CFR 211.2(a)(2). Moreover, Publication 52 is incorporated by reference into *Mailing Standards of the United States Postal Service, Domestic Mail Manual* (DMM) section 601.8.1, which is incorporated by reference, in turn, into the *Code of Federal Regulations*. 39 CFR 111.1 and 111.3. Publication 52 is publicly available, in a read-only format, via the Postal Explorer website at <https://pe.usps.com>. In addition, links to Postal Explorer are provided on the landing page of USPS.com, the Postal Service's primary customer-facing website, and on Postal Pro, an online informational source available to postal customers.

Proposal

The Postal Service will require mailers shipping human or animal cremated remains in any state (e.g. ashes, keepsakes, and jewelry) to be shipped in the Cremated Remains packaging supplied by the Postal Service. Previously, mailers were permitted to use any box if it was marked with Label 139 – *Cremated Remains*.

The Postal Service understands the mailing of cremated remains is a sensitive matter and believes this will improve visibility and enhance handling methods throughout processing and transportation.

Accordingly, for the reasons stated in the preamble, the Postal Service proposes to amend Publication 52 as follows:

Publication 52, Hazardous, Restricted and Perishable Mail

* * * * *

4 Restricted Matter

* * * * *

45 Other Restricted Materials

* * * * *

451.22 Cremated Remains

[Revise section as follows:] Human or animal cremated remains in any state (e.g. ashes, keepsakes and jewelry) are permitted for mailing as follows:

a. Domestic:

1. Must be sent via Priority Mail Express Service.
2. Must be packaged according to 451.3b and Packaging Instruction 10C.
3. Mailers must use one of the special Priority Mail Express cremated remains branded boxes available on usps.com.
4. Extra Services permitted with mailpieces containing cremated remains are additional insurance and return receipt only.
5. Shipping labels may be printed and affixed through Click-N-Ship or other USPS-approved methods or at a Post Office location. Mailer generated labels must bear an Intelligent Mail package barcode (IMpb) with the proper cremated remains Service Type Code (STC) and include the proper Extra Services Code (ESC) in the Shipping Services File (see Publication 199 on PostalPro at postalpro.usps.com).

USPS PROPOSED RULE – Cremated Remains Packaging Requirements

b. International:

1. When permitted by the destination country, cremated remains must be sent via Priority Mail Express International service. Mailers must verify that the destination country accepts Priority Mail Express International and cremated remains before mailing.
2. Mailers must use one of the special Priority Mail Express cremated remains branded boxes available on usps.com.
3. The item must be packaged as required in 451.3b and Packaging Instruction 10C.
4. The contents “cremated remains” must be indicated on the applicable customs declaration form.

* * * * *

451.3 Packaging and Marking

[Revise item b. as follows:]

b. Powders and Cremated Remains. Dry materials that could cause soiling, damage, discomfort or destruction, upon escape (leakage) must be packaged in sift proof or other sealed primary containers and placed into sealed, durable, outer containers.

Appendix C

* * * * *

USPS Packaging Instructions 10C

[Revise opening paragraph as follows:]

Cremated Remains

Human or animal cremated remains in any state (e.g. ashes, keepsakes and jewelry) are permitted for mailing with restrictions, provided they are appropriately prepared according to section 451 and the following instructions.

* * * * *

[Revise the following sections as follows:]

Mailability

International Mail: Permitted via Priority Mail Express International Service when permitted by the destination country (see the Individual Country Listings in the IMM).

Domestic Mail: Permitted via Priority Mail Express service only.

Required Packaging

Primary Container

International: A funeral urn is required as the inner container. It must be sealed and sift proof.

Domestic: The inner container must be strong and durable and be constructed in such a manner as to protect and securely contain the contents inside and it must be properly sealed so that it is sift proof.

Note: A sift proof container is any vessel that does not allow loose powder to leak or sift out during transit.

* * * * *

[Revise the following sections as follows:]

Outer Container

All cremated remains mailings must utilize the USPS-produced Cremated Remains outer packaging, found on usps.com.

Insert your inner container into a sealed plastic bag, then place in the shipping box and add padding to the bottom, sides, and top to ensure there is no movement of contents during transit.

Note: It is recommended that you attach a slip of paper to the sealed plastic bag with the complete return and delivery addresses and the words “Cremated Remains” in the event the mailing label becomes detached from the outer container after acceptance.

Marking

Domestic: A complete return address and delivery address must be used.

International: A complete return address and delivery address must be used. The mailer must indicate the contents (Cremated Remains) on the applicable customs declaration form.

Documentation

International: If available, and when required by the destination post, the cremation certificate should be attached to the outer packaging or made easily accessible. The sender is responsible for obtaining all the necessary documentation and permissions required by the national laws in the country of origin and the country of destination prior to dispatching these items.***

* * * * *

Christopher Doyle, Attorney, Ethics & Legal Compliance.

USPS FINAL RULE – Domestic Competitive Products Pricing and Mailing Standards Changes

POSTAL SERVICE

39 CFR Part 111

Domestic Competitive Products Pricing and Mailing Standards Changes

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: The Postal Service is amending *Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)*, to reflect changes to prices and mailing standards for competitive products.

DATES: Effective January 19, 2025.

FOR FURTHER INFORMATION CONTACT: Steven Jarboe at (202) 268-7690, Catherine Knox (202) 268-5636, or Garry Rodriguez at (202) 268-7281.

SUPPLEMENTARY INFORMATION: This final rule describes new prices and product features for competitive products, by class of mail, established by the Governors of the United States Postal Service. New prices are available under Docket Number CP2025-1 on the Postal Regulatory Commission PRC website at <http://www.prc.gov>, and on the Postal Explorer website at <http://pe.usps.com>. The Postal Service will revise *Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)*, to reflect changes to certain prices and mailing standards for the following competitive products: Priority Mail Express; Priority Mail; USPS Ground Advantage; Parcel Select; Extra Services; Return Services; Mailer Services; Recipient Services; Other. Competitive product prices and changes are identified by product as follows:

Priority Mail Express

Prices. Overall, Priority Mail Express prices will increase 3.2%. Priority Mail Express will continue to offer zoned and Flat Rate, Retail and Commercial pricing. Retail prices will increase an average of 3.2%. The Flat Rate Envelope price will increase to \$31.40, the Legal Flat Rate Envelope will increase to \$31.65, and the Padded Flat Rate Envelope will increase to \$32.25. Commercial prices will increase an average of 3.2%.

Priority Mail

Prices. Overall, Priority Mail prices will increase 3.2%. Priority Mail will continue to offer zoned and Flat Rate, Retail and Commercial pricing. Retail prices will increase an average of 3.2%. The Flat Rate Envelope price will increase to \$10.10, the Legal Flat Rate Envelope will increase to \$10.40, and the Padded Flat Rate Envelope will increase to \$10.85. The Small Flat Rate Box price will increase to \$10.65, and the Medium Flat Rate Boxes will increase to \$19.15. The Large Flat Rate Box will increase to \$26.30 and the APO/FPO/DPO Large Flat Rate Box will increase to \$25.05. Commercial prices will increase an average of 3.2%.

USPS Ground Advantage

Prices. Overall, USPS Ground Advantage prices will increase 3.9%. USPS Ground Advantage – Retail prices will increase 4.9 percent. USPS Ground Advantage – Commercial prices will increase 3.2%.

Parcel Select

Prices. The prices for Parcel Select Destination Entry will increase an average of 9.2%. The prices for USPS Connect Local will increase 5.4%.

Extra Services

Adult Signature Service. Adult Signature Required and Adult Signature Restricted Delivery service prices are decreasing 10.2 and 10.4% respectively. The price for Adult Signature Required will decrease to \$8.40 and Adult Signature Restricted Delivery will decrease to \$8.65.

Return Services

USPS Returns Service. There are no structural changes to USPS Returns Service.

Mailer Services

Pickup on Demand Service. The Pickup on Demand service fee will remain the same.

USPS Tracking Plus Service. The USPS Tracking Plus service prices will increase on average between 11.1 and 152.5%.

USPS Label Delivery Service. The USPS Label Delivery Service prices will increase 24.0 percent to \$1.55.

Recipient Services

Post Office Box Service. The competitive Post Office Box service prices will increase an average of 5.7% within the updated price ranges.

Premium Forwarding Service. Premium Forwarding Service (PFS) prices will increase between 2.5 and 6.1 percent depending on the specific price element. The enrollment fee paid at the retail counter for PFS-Residential will increase to \$26.85 and the PFS-Residential, PFS-Commercial, and PFS-Local enrollment fee paid online will increase to \$24.70 per application. The price of the weekly shipment charge for PFS-Residential and per container charge for PFS-Local will increase to \$27.80.

USPS Package Intercept. The USPS Package Intercept fee will increase 4.9% to \$18.35.

Other

Address Enhancement Service. Address Enhancement Service competitive product prices will increase between 8.4 and 9.1%.

IMpb Noncompliance Fee Renamed. To encompass all the compliance qualities included under the current IMpb Noncompliance Fee, the Postal Service is renaming the IMpb Noncompliance Fee the Package Quality Noncompliance Fee.

Intelligent Mail Matrix Barcode. The Postal Service is requiring mailers to add a supplemental GS1-DataMatrix (2D) Intelligent Mail matrix barcode (IMmb) to domestic shipping labels to improve package visibility. The placement of the IMmb will be in the address block to the left of the delivery address. Optionally, a mailer may place a second IMmb in the lower right corner of the shipping label. The Postal Service recommends using the second IMmb on all labels. The addition of the IMmb barcode will provide the Postal Service with a greater opportunity for the package to be scanned providing customers with better visibility of their packages. The Postal Service will also update Publication 52, *Hazardous, Restricted, and Perishable Mail*, for consistency in barcode application.

Live Animal and Perishable Handling Fee. The Postal Service is implementing a Live Animal and Perishable Handling fee. This fee will be assessed on all live animals and perishables (e.g. fruit, meat), entered at retail and commercial Priority Mail Express, Priority Mail, and

USPS FINAL RULE – Domestic Competitive Products Pricing and Mailing Standards Changes

USPS Ground Advantage prices. The Live Animal and Perishable Handling fee is nonrefundable once the piece is entered in the network. The Live Animal and Perishable Handling fee is in addition to the current Live Animal Transportation fee provided in the Notice 123 – *Price List*, when applicable. The Postal Service will also update Publication 52, *Hazardous, Restricted, and Perishable Mail*, to provide detailed information on the fee requirement.

Hazardous Materials Shipping Label Markings. The Postal Service is revising the current requirement to include the hazardous materials icon (“H”) in lieu of the service icon on a shipping address label when mailing eligible hazardous materials. Items containing mailable hazardous materials addressed to an APO/FPO/DPO, the USPS territories and possessions, and the Freely Associated States, are excluded from the requirement to include the hazardous materials icon in lieu of the service icon on a shipping address label.

Overweight and Oversize Item Fee. The Postal Service is increasing the overweight and oversize item fee to \$200.00, to continue to deter nonmailable volumes from being entered in the network.

Resources. The Postal Service provides additional resources to assist customers with this price change for competitive products. These tools include price lists, downloadable price files, and Federal Register Notices, which may be found on the Postal Explorer website at <http://pe.usps.com>.

The Postal Service adopts the described changes to *Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)*, incorporated by reference in the *Code of Federal Regulations*. We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Accordingly, the Postal Service amends *Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)*, incorporated by reference in the *Code of Federal Regulations* as follows (see 39 CFR part 111.1):

PART 111 – GENERAL INFORMATION ON POSTAL SERVICE

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.
2. Revise *Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)* as follows:

Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

* * * * *

100 Retail Mail Letters, Cards, Flats, and Parcels

* * * * *

110 Retail Mail Priority Mail Express

* * * * *

113 Prices and Eligibility

1.0 Prices and Fees

* * * * *

[Add new 1.7 to read as follows:]

1.7 Live Animal and Perishable Handling Fee

Priority Mail Express pieces containing live animals or perishables (e.g. fruit, meat) are subject to the nonrefundable Live Animal and Perishable Handling fee (see Notice 123 – *Price List*). This fee is in addition to the Live Animal Transportation fee provided in the Notice 123 – *Price List*, when applicable. For additional information on the Live Animal and Perishable Handling fee see Publication 52, *Hazardous, Restricted, and Perishable Mail*, (526).

* * * * *

115 Mail Preparation

* * * * *

2.0 Priority Mail Express 1-Day and 2-Day

2.1 Mailing Label

Priority Mail Express 1-Day and 2-Day items must be labeled as follows:

* * * * *

[Revise the second sentence in item c to read as follows:]

- c. * * * The Intelligent Mail package barcode (IMpb) and the Intelligent Mail matrix barcode (IMmb) on the shipping label must have the appropriate service-type code and banner text above the IMpb barcode used for cremated remains. * * *

* * * * *

120 Retail Mail Priority Mail

123 Prices and Eligibility

1.0 Prices and Fees

* * * * *

[Add new 1.7 to read as follows:]

1.7 Live Animal and Perishable Handling Fee

Priority Mail pieces containing live animals or perishables (e.g. fruit, meat) are subject to the nonrefundable Live Animal and Perishable Handling fee (see Notice 123 – *Price List*). This fee is in addition to the Live Animal Transportation fee provided in the Notice 123 – *Price List*, when applicable. For additional information on the Live Animal and Perishable Handling fee see Publication 52, *Hazardous, Restricted, and Perishable Mail*, (526).

* * * * *

130 Retail Mail First-Class Mail and USPS Ground Advantage--Retail

133 Prices and Eligibility

1.0 Prices and Fees

* * * * *

USPS FINAL RULE – Domestic Competitive Products Pricing and Mailing Standards Changes

[Add new 1.9 to read as follows:]

1.9 Live Animal and Perishable Handling Fee

USPS Ground advantage--Retail pieces containing live animals or perishables (e.g., fruit, meat) are subject to the nonrefundable Live Animal and Perishable Handling fee (see Notice 123 – *Price List*). This fee is in addition to the Live Animal Transportation fee provided in the Notice 123 – *Price List*, when applicable. For additional information on the Live Animal and Perishable Handling fee see Publication 52, *Hazardous, Restricted, and Perishable Mail*, (526).

200 Commercial Letters, Cards, Flats, and Parcels

202 Elements on the Face of a Mailpiece

3.0 Placement and Content of Mail Markings

3.9 Shipping Address Label Markings

3.9.1 General

[Revise the last sentence of 3.9.1 to read as follows:] * * * Failure to comply may subject the piece to the Package Quality Noncompliance Fee.

3.9.2 Hazardous Materials

[Revise the text of 3.9.2 to read as follows:]

When a shipping address label is used on items containing mailable hazardous materials, except for items addressed to an APO/FPO/DPO, the USPS territories and possessions, and the Freely Associated States, it must include the hazardous materials icon in lieu of the service icon as provided in the *Parcel Labeling Guide*.

6.0 Barcode Placement for Parcels

[Delete 6.2 and 6.3 and add new 6.2 to read as follows:]

6.2 Intelligent Mail Matrix Barcode Location

In addition to the placement of the IMpb and GS1-128 Routing Barcodes locations provided in 6.1, the Intelligent Mail matrix barcode (IMmb) must be placed in the address block to the left of the delivery address. Optionally, a mailer may place a second IMmb in the lower right corner of the shipping label.

204 Barcode Standards

2.0 Standards for Package and Extra Service Barcodes

[Revise 2.1 to read as follows:]

2.1 Barcodes

2.1.1 Definition

The definition of an Intelligent Mail package barcode (IMpb) and an Intelligent Mail matrix barcode (IMmb) are as follows:

- IMpb – An IMpb is the USPS-developed barcode that can be read by automated parcel processing equipment and scanning devices and consists of a data string that generally follows the GS1-128 specification. These barcodes include a variable length format that is determined by the elements selected by the mailer, and supplies tracking and routing data for packages and extra service applications. Intelligent Mail package barcodes must be used on all commercial packages, and on other mailpieces of customers requesting extra services.
- IMmb – An IMmb is supplemental GS1-DataMatrix (2D) barcode to improve package visibility. The IMmb contains the same data as the IMpb barcode using a space-efficient barcode symbology.

2.1.2 Specification Resources

Detailed Specifications on an IMpb and IMmb can be found on PostalPro at <https://postalpro.usps.com> as follows:

- Publication 199, *Intelligent Mail Package Barcode (IMpb) Implementation Guide for Confirmation Services and Electronic Payment Systems*.
- Parcel Labeling Guide*.
- Intelligent Mail Package Barcode Technical Specifications.
- Intelligent Mail Matrix Barcode Technical Specifications.

2.1.3 Barcode Location

See 202.6.1 for barcode location standards.

2.1.4 Quality Assurance

Mailers must perform routine inspections and testing of labels and barcodes to ensure quality.

2.1.5 Electronic File

All mailers generating an IMpb and IMmb must transmit piece-level information to the USPS in an approved electronic file format (except for mailers generating barcodes for use on return services products, such as uninsured USPS Returns service packages).

2.1.6 Compliance Quality Thresholds

All mailers who enter commercial parcels must meet the established thresholds for Compliance Quality outlined in Exhibit 2.1.6 to avoid payment of the Package Quality Noncompliance Fee. Failure to meet any compliance quality threshold in Exhibit 2.1.6 will result in the assessment of the Package Quality Noncompliance Fee.

Exhibit 2.1.6 Compliance Quality Thresholds

Note: See Publication 199 for a list of validations for each Compliance Category (AQ, MQ, BQ).

USPS FINAL RULE – Domestic Competitive Products Pricing and Mailing Standards Changes

Compliance categories	Compliance codes	Compliance thresholds
Address Quality: Checks for a timely address that validates to a unique 11-Digit DPV or passes the critical validation criteria in Pub 199.	AQ	90
Manifest Quality (Shipping Services file): Checks for a timely manifest file that passes the critical validation criteria in Pub 199.	MQ	94
Barcode Quality: Checks the barcode in the manifest that passes the critical validation criteria in Pub 199.	BQ	98

2.1.7 Alternate Approval

Labels not meeting IMpb specifications or other label element standards, but still able to demonstrate acceptable functionality within USPS processes, may be allowed using an alternative approval process authorized by the vice president, Applied Engineering, (See 608.8.1 for contact information.).

210 Commercial Mail Priority Mail Express

213 Prices and Eligibility

1.0 Prices and Fees

1.7 Unmanifested Fee

[Revise the text of 1.7 to read as follows:] Eligible Priority Mail Express pieces omitted from the manifest are subject to the unmanifested fee (see Notice 123 – *Price List*), unless the piece is subject to the Package Quality Noncompliance Fee as specified in 3.2.

[Add new 1.10 to read as follows:]

1.10 Live Animal and Perishable Handling Fee

Priority Mail Express pieces containing live animals or perishables (e.g. fruit, meat) are subject to the nonrefundable Live Animal and Perishable Handling fee (Notice 123 – *Price List*). This fee is in addition to the Live Animal Transportation fee provided in the Notice 123 – *Price List*, when applicable. For additional information on the Live Animal and Perishable Handling fee see Publication 52, *Hazardous, Restricted, and Perishable Mail*, (526).

3.0 Basic Eligibility Standards for Priority Mail Express

[Revise the heading of 3.2 to read as follows:]

3.2 Barcode Standards

[Move the text from 3.2 under new heading 3.2.1 to read as follows:]

3.2.1 IMpb Standards

[Revise the renumbered text of 3.2.1 by deleting the second and last sentence.] All Priority Mail Express pieces (outbound and returns) must bear an Intelligent Mail package barcode (IMpb) prepared under 204.2.0.

[Add new 3.2.2 and 3.2.3 to read as follows:]

3.2.2 IMmb Standards

In addition to the IMpb under 3.2.1, all Priority Mail Express pieces (outbound and returns) must bear an Intelligent Mail matrix barcode (IMmb) prepared under 204.2.0.

3.2.3 Package Quality Noncompliance Fee

Unless otherwise excepted, mailers of mailpieces not meeting the requirements for use of a unique IMpb, and IMmb as outlined in section 204.2.1.8 and Publication 199, *Intelligent Mail Package Barcode (IMpb) Implementation Guide for: Confirmation Services and Electronic Payment Systems*, will be assessed the Package Quality Noncompliance Fee (see Notice 123 – *Price List*). For details see PostalPro at <https://postalpro.usps.com>.

215 Mail Preparation

2.0 Priority Mail Express 1-Day and 2-Day

2.1 Mailing Label

Priority Mail Express 1-Day and 2-Day items must be labeled as follows:

[Revise the second sentence in item c to read as follows:]

c. *** The Intelligent Mail package barcode (IMpb) and the Intelligent Mail matrix barcode (IMmb) on the shipping label must have the appropriate service-type code and banner text above the IMpb barcode used for cremated remains. ***

220 Commercial Mail Priority Mail

223 Prices and Eligibility

1.0 Prices and Fees

1.9 Unmanifested Fee

[Revise the text of 1.9 to read as follows:] Eligible Priority Mail pieces omitted from the manifest are subject to the unmanifested piece fee (see Notice 123 – *Price List*), unless the piece is subject to the Package Quality Noncompliance Fee as specified in 3.2.

USPS FINAL RULE – Domestic Competitive Products Pricing and Mailing Standards Changes

[Add new 1.12 to read as follows:]

1.12 Live Animal and Perishable Handling Fee

Priority Mail pieces containing live animals or perishables (e.g., fruit, meat) are subject to the nonrefundable Live Animal and Perishable Handling fee (see Notice 123 – *Price List*). This fee is in addition to the Live Animal Transportation fee provided in the Notice 123 – *Price List*, when applicable. For additional information on the Live Animal and Perishable Handling fee see Publication 52, *Hazardous, Restricted, and Perishable Mail*, (526).

3.0 Basic Eligibility Standards for Priority Mail

[Revise the heading of 3.2 to read as follows:]

3.2 Barcode Standards

[Move the text from 3.2 under new heading 3.2.1 to read as follows:]

3.2.1 IMpb Standards

[Revise the renumbered text of 3.2.1 by deleting the second and last sentence.] Unless the mailer is authorized to use a unique IMb on Priority Mail letters and flats prepared in high-speed environments, all Priority Mail pieces (outbound and returns) must bear an Intelligent Mail package barcode prepared under 204.2.0. To obtain information on how to acquire an authorization to use an IMb on Priority Mail letters and flats, mailers can contact USPS Shipping Information Systems at IMPB@usps.gov.

[Add new 3.2.2 and 3.2.3 to read as follows:]

3.2.2 IMmb Standards

In addition to the IMpb under 3.2.1, all Priority Mail pieces (outbound and returns) must bear an Intelligent Mail matrix barcode (IMmb) prepared under 204.2.0.

3.2.3 Package Quality Noncompliance Fee

Unless otherwise excepted, mailers of mailpieces not meeting the requirements for use of a unique IMpb and IMmb, as outlined in section 204.2.1.8 and Publication 199, *Intelligent Mail Package Barcode (IMpb) Implementation Guide for: Confirmation Services and Electronic Payment Systems*, will be assessed the Package Quality Noncompliance Fee (see Notice 123 – *Price List*). For details see PostalPro at <https://postalpro.usps.com>.

240 Commercial Mail USPS Marketing Mail

243 Prices and Eligibility

3.0 Basic Eligibility Standards for USPS Marketing Mail

3.4 IMpb Standards

All USPS Marketing Mail parcels must bear an Intelligent Mail package barcode (IMpb) and an Intelligent Mail matrix barcode (IMmb) as outlined in section 204.2.0 and Publication 199, *Intelligent Mail Package Barcode (IMpb) Implementation Guide for: Confirmation Services and Electronic Payment Systems*. For details see PostalPro at <https://postalpro.usps.com>.

250 Commercial Mail Parcel Select

253 Prices and Eligibility

1.0 Prices and Fees

1.4 Unmanifested Fee

[Revise the text of 1.4 to read as follows:] Eligible Parcel Select pieces omitted from the manifest are subject to the unmanifested fee (see Notice 123 – *Price List*), unless the piece is subject to the Package Quality Noncompliance Fee specified in 3.3.

3.0 Basic Eligibility Standards for Parcel Select Parcels

[Revise the heading of 3.3 to read as follows:]

3.3 Barcode Standards

[Move the text from 3.3 under new heading 3.3.1 to read as follows:]

3.3.1 IMpb Standards

[Revise the renumbered text of 3.3.1 by deleting the second and last sentence.] All Parcel Select mailpieces must bear an Intelligent Mail package barcode (IMpb) prepared under 204.2.0.

[Add new 3.3.2 and 3.3.3 to read as follows:]

3.3.2 IMmb Standards

In addition to the IMpb under 3.3.1, all Parcel Select pieces (outbound and returns) must bear an Intelligent Mail matrix barcode (IMmb) prepared under 204.2.0.

3.3.3 Package Quality Noncompliance Fee

Unless otherwise excepted, mailers of mailpieces not meeting the requirements for use of a unique IMpb and IMmb, as outlined in section 204.2.1.8 and Publication 199, *Intelligent Mail Package Barcode (IMpb) Implementation Guide for: Confirmation Services and Electronic Payment Systems*, will be assessed the Package Quality Noncompliance Fee (see Notice 123 – *Price List*). For details see PostalPro at <https://postalpro.usps.com>.

260 Commercial Mail Bound Printed Matter

USPS FINAL RULE – Domestic Competitive Products Pricing and Mailing Standards Changes

263 Prices and Eligibility

3.0 Basic Eligibility Standards for Bound Printed Matter

[Revise the heading and text of 3.5 to read as follows:]

3.5 Barcode Standards

Presorted priced BPM parcels must bear an Intelligent Mail package barcode (IMpb) and an Intelligent Mail matrix barcode (IMmb) as outlined in section 204.2.0 and Publication 199, *Intelligent Mail Package Barcode (IMpb) Implementation Guide for: Confirmation Services and Electronic Payment Systems*. For details see PostalPro at <https://postalpro.usps.com>.

270 Commercial Mail Media Mail and Library Mail

273 Prices and Eligibility

5.0 Basic Eligibility Standards for Media Mail and Library Mail

[Revise the heading and text of 5.5 to read as follows:]

5.5 Barcode Standards

All Media Mail and Library Mail parcels must bear an Intelligent Mail package barcode (IMpb) and an Intelligent Mail matrix barcode (IMmb) as outlined in section 204.2.0 and Publication 199, *Intelligent Mail Package Barcode (IMpb) Implementation Guide for: Confirmation Services and Electronic Payment Systems*. For details see PostalPro at <https://postalpro.usps.com>.

280 Commercial Mail USPS Ground Advantage--Commercial

283 Prices and Eligibility

1.0 Prices and Fees

1.6 Unmanifested Fee

[Revise the text of 1.6 to read as follows:] Eligible USPS Ground Advantage – Commercial pieces omitted from the manifest are subject to the unmanifested fee (see Notice 123 – *Price List*), unless the piece is subject to the Package Quality Noncompliance Fee as specified in 3.4.

[Add new 1.9 to read as follows:]

1.9 Live Animal and Perishable Handling Fee

USPS Ground Advantage – Commercial pieces containing live animals or perishables (e.g., fruit, meat) are subject to the nonrefundable Live Animal and Perishable Handling fee (see Notice 123 – *Price List*). This fee is in addition to the Live Animal Transportation fee provided in the Notice 123 – *Price List*, when applicable. For additional information on the Live Animal and Perishable Handling fee see Publication 52, *Hazardous, Restricted, and Perishable Mail*, (526).

3.0 Basic Eligibility Standards for USPS Ground Advantage--Commercial

[Revise the heading of 3.4 to read as follows:]

3.4 Barcode Standards

[Move the text from 3.4 under new heading 3.4.1 to read as follows:]

3.4.1 IMpb Standards

[Revise the renumbered text of 3.4.1 by deleting the second and last sentence.] All USPS Ground Advantage – Commercial parcels (outbound and returns) must bear an Intelligent Mail package barcode (IMpb) prepared under 204.2.0.

[Add new 3.4.2 and 3.4.3 to read as follows:]

3.4.2 IMmb Standards

In addition to the IMpb under 3.4.1, all USPS Ground Advantage pieces (outbound and returns) must bear an Intelligent Mail matrix barcode (IMmb) prepared under 204.2.0.

3.4.3 Package Quality Noncompliance Fee

Unless otherwise excepted, mailers of mailpieces not meeting the requirements for use of unique Intelligent Mail package barcodes or extra services barcodes, as outlined in section 204.2.1.8 and Publication 199, *Intelligent Mail Package Barcode (IMpb) Implementation Guide for: Confirmation Services and Electronic Payment Systems*, will be assessed the Package Quality Noncompliance Fee (see Notice 123 – *Price List*). For details see PostalPro at <https://postalpro.usps.com>.

500 Additional Mailing Services

503 Extra Services

1.0 Basic Standards for All Extra Services

1.7 Forms and Labels

1.7.2 Privately Printed Forms or Labels

[Revise the first and fourth sentence of 1.7.2 to read as follows:] Except for Certificate of Mailing service using privately printed forms (i.e., facsimiles) as provided under 5.0, if authorized, a mailer may use privately printed extra service forms and labels for domestic mail only, if

USPS FINAL RULE – Domestic Competitive Products Pricing and Mailing Standards Changes

the forms and labels are nearly identical in design elements and color to the USPS form, with an Intelligent Mail package barcode (IMpb) and human-readable numbers that meet USPS specifications, and an Intelligent Mail matrix barcode (IMmb), in 204.2.0. * * * * * Mailers generating shipping labels bearing an IMpb and IMmb must also affix the appropriate colored non-barcoded color-coded label for Registered Mail (under 2.1.2) or Certified Mail (under 3.2.1). * * *

[Revise the heading and text of 1.7.3 to read as follows:]

1.7.3 Barcodes

Items for which extra services are added must bear a correct Intelligent Mail package barcode (IMpb) and Intelligent Mail matrix barcode (IMmb).

* * * * *

1.7.5 Legacy Extra-Service Forms

[Revise the last sentence in the introductory text of 1.7.5 to read as follows:] * * * Mailers using noncompliant versions of the following extra-service forms will be subject to the Package Quality Noncompliance Fee (see Notice 123 – Price List):

* * * * *

2.0 Registered Mail

2.1 Basic Standards

* * * * *

2.1.2 Label 200

[Revise the first sentence of 2.1.2 to read as follows:] Registered Mail must bear the barcoded red Label 200 (see forms at <https://pe.usps.com/>), or a non-barcoded red Label 200-N when a mailer-generated shipping label bearing an IMpb and IMmb under 204.2.0 is also affixed on the same mailpiece. * * *

* * * * *

3.0 Certified Mail Services

* * * * *

3.2 Mailing

3.2.1 PS Form 3800

[Revise the first sentence in the introductory text of 3.2.1 to read as follows:] Certified Mail must bear the barcoded green label part of the Form 3800 (see forms at <https://pe.usps.com/>), or a non-barcoded green Label 3800-N when a mailer-generated shipping label bearing an IMpb and IMmb, under 204.2.0, is also affixed on the same mailpiece. * * *

* * * * *

4.0 Insured Mail

* * * * *

4.2 Insurance Coverage--Priority Mail, USPS Ground Advantage--Retail, and USPS Ground Advantage--Commercial

Priority Mail pieces (including Priority Mail Return service), USPS Ground Advantage – Retail, and USPS Ground Advantage – Commercial pieces (including USPS Ground Advantage Return service) are insured against loss, damage, or missing contents, for no more than \$100.00 in coverage, subject to the following: *[Revise the text of item a to read as follows:]*

- a. Insurance coverage is provided against loss, damage, or missing contents and is limited to a maximum liability of \$100.00 when the pieces bear an Intelligent Mail package barcode (IMpb) and an Intelligent Mail matrix barcode (IMmb) or USPS retail tracking barcode (see 4.3.4) and the mailer pays retail or commercial prices.

* * * * *

4.3 Basic Standards

* * * * *

4.3.4 Markings and Forms

The treatment of pieces is determined by the insurance amount as described in 4.3.1c and under the following conditions: *[Revise the text of item a to read as follows:]*

- a. Retail Systems Software (RSS) sites – A label and a receipt will be provided at the retail counter. The label printed at the retail counter will include postage and an Intelligent Mail package barcode (IMpb) and an Intelligent Mail matrix barcode (IMmb) that contains the appropriate service type code for the product and extra service purchased.

* * * * *

7.0 USPS Tracking

* * * * *

7.2 Labels

7.2.1 Types of Labels

* * * Mailers not printing their own privately printed labels must use one of the label options as follows:

* * * * *

[Revise the second sentence of item b to read as follows:]

- b. * * * The labels are populated with the product service type code and customer's Mailer Identification (MID) number in the Intelligent Mail package barcode (IMpb) and Intelligent Mail matrix barcode (IMmb).

* * * * *

8.0 USPS Signature Services

8.1 Basic Standards

* * * * *

8.1.2 Standards for Signature Confirmation

For Signature Confirmation with Media Mail, Library Mail, Bound Printed Matter, or Parcel Select pieces meeting the physical standards under 201.7.0, the parcel must meet these additional requirements:

* * * * *

- d. Mailers must use one of the following labels: *[Revise the second sentence of item d1 to read as follows:]*

USPS FINAL RULE – Domestic Competitive Products Pricing and Mailing Standards Changes

1. Retail Systems Software (RSS) sites – * * * The label printed at the retail counter will include postage and an Intelligent Mail package barcode (IMpb) and an Intelligent Mail matrix barcode (IMmb) that contains the appropriate service type code for the product and extra service purchased.

* * * * *

505 Return Services

* * * * *

3.0 USPS Returns Service

3.1 Basic Standards

* * * * *

3.1.3 Postage and Prices

Postage and prices are subject to the following: *[Revise the third and last sentence of item a to read as follows:]*

- a. * * * USPS Returns service packages are charged postage and fees based on the STC embedded in the IMpb and IMmb and as provided under 3.1.3c. If all or part of the barcodes are unreadable, or the package is unable to be priced based on the data collected, postage will be determined by the Postal Service based on historical data, or default data determined at time of enrollment.

* * * * *

- c. The account holder or mailer may obtain extra and additional services as follows: *[Revise the third sentence of item c1 to read as follows:]*

1. * * * Additional insurance for Priority Mail Return service and USPS Ground Advantage Return service is available to the account holder for a fee on packages that have the applicable STC embedded into the IMpb and IMmb on the label, and for which the account holder has provided electronic data that supports the value of the merchandise (see 503.4.1a). * * *

* * * * *

3.1.4 Labels

Distribution and preparation of labels are subject to the following:

* * * * *

- b. Label Preparation. The following provisions apply:

* * * * *

[Revise the text of item b2 to read as follows:]

2. The label must include an IMpb and IMmb (see 204.2.0), accommodate all required information, be legible, and be prepared in accordance with the standards in Publication 199, *Intelligent Mail Package Barcode (IMpb) Implementation Guide for Confirmation Services and Electronic Payment Systems*, available on the PostalPro website at <https://postalpro.usps.com>.

* * * * *

[Revise the text of item b4 to read as follows:]

4. Except for USPS Returns service labels generated by the USPS API or MRA, all returns labels must have a properly constructed IMpb (C01, C05, N02, or N05, as applicable) and IMmb approved by the NCSC.

* * * * *

3.1.5 Noncompliant Labels

[Revise the last sentence of 3.1.5 to read as follows:] * * * When noncompliant labels, including discontinued labels, are affixed to USPS Returns service packages, the permit holder may be assessed the Package Quality Noncompliance Fee (see Notice 123 – *Price List*), or the appropriate USPS Returns class of mail retail price (i.e., permit holders of Priority Mail Express Returns service packages will be assessed the retail Priority Mail Express price) calculated from the package's initial entry point (first physical scan) in the USPS network to its delivery address.

3.1.6 Enter and Deposit

The following standards apply:

* * * * *

[Revise the last sentence of item b to read as follows:]

- b. * * * Any such packages deposited in collection boxes may be returned to the sender for the extra service to be purchased appropriately, or it will be processed and the sender charged postage and fees based on the STC embedded in the IMpb and IMmb on the label and as provided under 3.1.4c.

* * * * *

5.0 Bulk Parcel Return Service

* * * * *

5.4 Optional BPRS Label

[Revise the last sentence of 5.4 to read as follows:] * * * The label is prepared at the mailer's expense and must meet all format standards in the *Parcel Labeling Guide* available on PostalPro at <https://postalpro.usps.com>, including an IMpb and IMmb meeting the standards in 204.2.0.

* * * * *

507 Mailer Services

* * * * *

5.0 Package Intercept

* * * * *

5.3 Adding Extra Services

[Revise the third sentence in the introductory text of 5.3 to read as follows:] * * * The relabeled item will be assigned a new barcode applicable to the extra service purchased. * * *

* * * * *

600 Basic Standards for All Mailing Services

601 Mailability

1.0 General Standards

USPS FINAL RULE – Domestic Competitive Products Pricing and Mailing Standards Changes

1.2 Overweight Items or Oversize Items

1.2.3 Fee

[Revise the text of 1.2.3 to read as follows:] Except for an overweight or oversize item discovered and picked up at the same facility where it was entered, the overweight/oversize item fee of \$200 will be assessed and must be paid before release of the item. The \$200 overweight or oversize item fee may be paid by any authorized retail payment method or through PostalOne.

604 Postage Payment Methods and Refunds

9.0 Exchanges and Refunds

9.2 Postage and Fee Refunds

9.2.4 Postage and Fee Refunds Not Available

Refunds are not made for the following:

[Revise 9.2.4 by adding an item j to read as follows:]

j. For the Package Intercept per-piece fee once the USPS successfully intercepts the mailpiece (507.5.2) or the Live Animal and Perishable Handling fee once the piece is entered in the network.

609 Filing Indemnity Claims for Loss or Damage

1.0 General Filing Instructions

1.2.2 Eligibility

Eligibility for mailers to submit claims using the Bulk Indemnity Claims feature is based on the following:

[Revise the text of item b to read as follows:]

b. IMpb and IMmb compliance history.

1.3 Who May File

A claim may be filed by:

[Revise the text of item c to read as follows:]

c. Only the account holder, for USPS Returns packages that are insured as identified by the account holder's mailer identification (MID) and the applicable STC for insurance imbedded into the IMpb and IMmb on the label, and for which the account holder has provided electronic data that supports the value of the merchandise being returned (see 503.4.3.1a).

700 Special Standards

705 Advanced Preparation and Special Postage Payment Systems

18.0 Priority Mail Express Open and Distribute and Priority Mail Open and Distribute

18.5 Preparation

18.5.7 Address Label Service Barcode Requirement

[Revise first and third through fifth sentences in the introductory text of 18.5.7 to read as follows:] An electronic service barcode must include an Intelligent Mail package barcode (IMpb) and Intelligent Mail matrix barcode (IMmb) (eVS approved mailers) symbology for Priority Mail Express Open and Distribute, and the IMpb and IMmb symbology for Priority Mail Open and Distribute in the address label.***** Priority Mail Express Open and Distribute IMpb and IMmb labels must include service type code "723." For Priority Mail Open and Distribute, the IMpb and IMmb must include service type code "123." The human-readable text "USPS SCAN ON ARRIVAL" must appear above the IMpb barcode.***

[Add an IMmb in the address block to the left of the delivery address to the label graphics in Exhibits 18.5.8 through 18.5.12.]

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Intelligent Mail

[Revise the "Intelligent Mail" entry by alphabetically adding the following:] matrix barcode, 204.2.0

Notice 123 – Price List

[Revise competitive prices as applicable.]

Colleen Hibbert-Kapler, Attorney, Ethics and Legal Compliance.