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David Steiner Chosen to Lead the USPS

Having been leaked to the press earlier in the week, the big news from the Governors of the Postal Service was somewhat anti-climactic when, during the Friday public session of their May 9-10 meeting, they announced the selection of David Steiner as the 76th postmaster general. The official press release and concurrent *Industry Alert* contained the predictable paeans about the selectee from postal officials:

"The US Postal Service Board of Governors today announced that they have chosen David Steiner to be America's 76th Postmaster General and CEO. Pending the outcome of necessary background and ethics checks, Steiner will succeed former Postmaster General Louis DeJoy, who resigned in March, and current Acting Postmaster General Doug Tulino, who will return to his permanent position as Deputy Postmaster General and Chief Human Resources Officer. We anticipate Steiner will formally join the organization in July, assuming his successful completion of the ethics and security clearance vetting processes.

" 'Dave is the right person to lead the Postal Service at this time to ensure this magnificent and historic organization thrives into the future,' said Amber McReynolds, chair of the Postal Service Board of Governors. 'Dave is a highly regarded leader and executive with tremendous vision, experience and skill that can be applied to the long-term mission and business needs of the Postal Service. Our Board looks forward to working with Dave as he takes on the core mandates of providing universal and excellent service for the American public and doing so in a financially sustainable manner.'

" 'It is an incredible honor to be asked to lead the world's greatest postal organization, with a history that stretches back before the founding of the United States,' said Steiner. 'I deeply admire the public service and business mission of this amazing institution, and I believe strongly in maintaining its role as an independent establishment of the executive branch. I look forward to engaging with its employees, who provide such an important service to all our communities. As the entity with the largest union membership in the United States, I look forward to engaging with the unions and management associations to ensure that together we create a world-class employment experience. I also look forward to working with industry associations, customers, and policymakers, as we chart a positive path forward. I am excited by the challenges ahead and by the many opportunities to shape a vibrant, durable and increasingly competitive future for the Postal Service. And, finally, but most importantly, I want to thank Doug for his excellent stewardship of the organization that he has dedicated his professional life to serve.'

"As the President and Chief Executive Officer of Waste Management for 12 years, Steiner is credited with leading tremendous change in the organization, transforming operations and culture, and delivering strong financial results. In this role, he established a new strategic vision for Waste Management that created new business lines in environmental services, a new pricing model widely adopted in the industry, and a more efficient operating approach. During his tenure, Waste Management solidified its role as the leading provider of waste management and recycling services in North America.

"He also held prior roles within Waste Management, including Chief Financial Officer; Executive Vice President, General Counsel and Corporate Secretary; and Vice President and Deputy General Counsel. Before joining Waste Management, Steiner was a Partner at the law firm Phelps Dunbar.

"In addition to serving on several non-profit and educational boards, including the EJ Ourso College of Business at Louisiana State University, Steiner serves on the boards of transportation and logistics provider FedEx Corporation, construction material manufacturer Vulcan Materials, and recycling automation provider AMP. He will leave the Board at FedEx, and manage the other roles and business and financial interests as required prior to joining the Postal Service.

"Steiner earned a Bachelor of Science degree in accounting from Louisiana State University, and a Juris Doctor degree from the University of California, Los Angeles."

In DeJoy's footsteps

On May 7, *The Washington Post* broke the story, stating Steiner "emerged in recent days as a leading candidate for the role at FedEx's recommendation, according to three people familiar with the search process." According to the *Post*, Steiner had met with the president in Florida, after which "the president said he'd decided to offer the job to Steiner." This helped "solidify the White House's control over the historically independent mail service," as the *Post* concluded.

Though statute affords the governors the exclusive right to hire and fire a postmaster general, the governors are themselves political appointees and, accordingly, would be responsive to political influence. The article suggested that the governors' decision was little more than a formality, with at least three of them taking direction from the president. (There are four vacancies on the nine-member panel, including two from each political party and one independent.)

Another version

Since the *Post* article, another knowledgeable source has provided a different version of events.

In the weeks following Louis DeJoy's departure, the governors had engaged an executive search firm and the process of developing candidates was under way. Names were submitted and interviews were conducted. However, the growing attention from the administration created a sense of urgency for the governors, and they pressed the search firm to compress its usual timeline from months to weeks.

Meanwhile, speculation in the mailing community centered around three possibilities: a current or former postal executive, an outsider with professional experience, or a dark horse chosen because of political connections.

(Similar conjecture had followed the retirement of Megan Brennan five years ago. At that time, Louis DeJoy wasn't among the potential candidates until a conversation between political friends brought his name to the fore. When DeJoy was subsequently selected, the irregularity of the selection process led former USPS Inspector General and then-governor David Williams to resign in protest.)

By the end of April, the assumed candidate list appeared to have been narrowed to two: a former postal executive and former governor William Zollars. Given Zollars' known allegiance to DeJoy and his Plan, the industry was heavily supportive of the former USPS executive, as was evident from the buzz at the National Postal Forum. No-one showed any awareness of other candidates – including Steiner.

Reportedly, the board *had settled* on Steiner, and was planning to complete the usual vetting process before making an official announcement. When Steiner's selection leaked out and the *Post* broke the story, the governors felt compelled to announce their selection quickly, albeit with the caveat that it was "pending the outcome of necessary background and ethics checks" and that he won't "formally join the organization" until those measures are completed.

The most significant difference between the *Post* version and the second version learned later is that Steiner, though having had conversations with the president, was actually already the Board's preferred candidate based on his credentials and exceptional interview. Despite appearances, the source for the second version was adamant that Steiner was not a selection directed by the White House.

The Plan

Whether Steiner will embrace DeJoy's Plan is unknown, but he reportedly favored an opportunity to review its elements before making a commitment.

When DeJoy first came to L'Enfant Plaza, with a background in trucking and not in mail, he quickly adopted an adversarial attitude toward commercial mailing companies. Many concluded that he'd been schooled by hard-line executives who had chafed for years over other PMGs' engagement with, and responsiveness to mailers and their needs. DeJoy quickly built barriers between the industry and HQ staff, and adopted pricing and operational policies that hampered both volume growth and service performance.

The possibility that the remaining members of DeJoy's inner circle will quickly inoculate Steiner with similar anti-mailer thinking is a serious concern to commercial ratepayers.

Though DeJoy eventually fell into disfavor with the White House – for making vote-by-mail successful, for agreeing to buy electric delivery vehicles, or for another reason – doesn't mean that the tenets of his Plan are in disfavor, or that his successor won't be inclined to continue parts of its implementation. Supposedly, Steiner neither was asked for nor volunteered any particular commitment to The Plan.

Clearly, its fruits so far have been massive financial losses, declining service, and bipartisan discontent in Congress stemming in no small part from citizen complaints. Barring being mesmerized by DeJoy's remaining acolytes, it's likely that Steiner will want to make his own inquiries before accepting the view that The Plan is the only path forward.

Observations

Steiner is far from the first "outsider" to lead the Postal Service. Five of the first nine of the agency's postmasters general were non-postal, but none, perhaps not even Marvin Runyon, were as disruptive as Louis DeJoy.

Unfortunately for Steiner, he's succeeding a political choice who was hired by a politically compliant board. In the current partisan climate, he was initially assumed to be another political choice delivered to the Board for its acceptance. Assuming reports to the contrary are accurate, Steiner might be wise to quickly make it clear he's not DeJoy II.

Moreover, just as DeJoy had abandoned hard-copy mail in favor of pursuing package business, it would be important for Steiner – also a package guy with no prior familiarity with mail or the mailing business – to clarify what commercial mailers and other ratepayers should expect in that regard.

In the view of many, under DeJoy the USPS lost its focus on mail and service in favor of packages, full trucks, and "efficiency." Steiner likely will get a briefing – about The Plan, as well as who in the industry and in Congress are "friends" and "enemies," and about how the USPS has been "impaired" by the Postal Regulatory Commission – from the same executives who were DeJoy's zealous allies. Steiner would be well advised to judge such input by its source.

It's likely that DeJoy's minions will try to get as much of his Plan implemented as possible before Steiner arrives, and it's unlikely Steiner can do much to delay such measures if he's not "officially" in charge.

Unfortunately for him, Steiner is coming in late in the game, and he'll inherit the results of five years of Louis DeJoy's Plan. By July, the pending rate cases (separately increasing market-dominant and competitive products) will have taken effect; major network changes – including Regional Transportation Optimization – will have been implemented; the third quarter of the USPS fiscal year will be over; and in just over two months the fiscal year will end and the holiday shipping season will be on the horizon.

Though dealing with all of this at the outset of his tenure will be a challenge, it also will be an indicator. Steiner's words and actions will tell ratepayers all they need to know.

USPS Reports \$3.3 Billion Loss for Second Quarter

Louis DeJoy may be gone but the legacy of his policies lives on, as reflected in the Postal Service's financial results for the second quarter of its 2025 fiscal year (January-March, 2025), reported in its *Form 10-Q* released May 9.

Revenue and expense

Revenue for the quarter was essentially unchanged from the same period last year, but expenses were up 8.34%, yielding a nearly \$3.3 billion loss for PQ II/FY 2025. Compensation and benefit costs rose 3.38%, but workers' compensation expense was over eight times greater, compared to last year.

	Three Months Ended March 31,		Six Months Ended March 31,	
(in millions)	2025	2024	2025	2024
Revenue:				
Operating revenue	\$ 19,704	\$ 19,712	\$ 42,203	\$ 41,326
Other revenue	2	3	40	6
Total revenue	19,706	19,715	42,243	41,332
Operating expenses:				
Compensation and benefits	13,745	13,296	28,398	27,331
Retirement benefits	2,675	2,602	5,370	5,183
Workers' compensation	1,407	162	1,259	1,765
Transportation	2,029	2,145	4,227	4,669
Other operating expenses	3,204	3,080	6,265	6,142
Total operating expenses	23,060	21,285	45,519	45,090
Loss from operations	(3,354)	(1,570)	(3,276)	(3,758)
Interest and investment income	197	235	410	484
Interest expense	(135)	(133)	(282)	(266)
Net loss	\$ (3,292)	\$ (1,468)	\$ (3,148)	\$ (3,540)

See accompanying notes to the unaudited financial statements.

The agency strove hard to explain the quarterly loss as largely beyond its control, stating in its press release:

"... Results for the quarter were impacted by unfavorable non-cash workers' compensation adjustments of \$1.2 billion, due to actuarial revaluation and discount rate change factors that are not controllable by the Postal Service

"The financial results for the second quarter reflected significant challenges that were out of our control to include unfavorable factors such as non-cash workers' compensation adjustments, actuarial revaluations and discount rate changes. ..."

The USPS regularly cites workers' compensation as the culprit when movement of the discount rate works adversely (while keeping silent if it provides a benefit), but the agency's own data shows that only a fraction of the growth in workers' comp costs was attributable to that factor. Moreover, despite its impact on PQ II results, the variability of workers' comp has actually *helped* the USPS for the half year, moving over \$1.2 billion in the agency's favor.

	Three Months Ended March 31,		Six Months Ended March 31,	
(in millions)	2025	2024	2025	2024
Impact of discount rate changes	\$ 383	\$ (414)	\$ (653)	\$ 567
Actuarial revaluation of existing cases	525	240	1,018	554
Cost of new cases	474	312	844	596
Administrative fee	25	24	50	48
Total workers' compensation expense	\$ 1,407	\$ 162	\$ 1,259	\$ 1,765

Some also would dispute the Postal Service's claim that workers' compensation is an uncontrollable expense. While the discount rate cannot be controlled, the training, supervision, and disciplinary measures the USPS implements, or doesn't, can directly affect the agency's safety culture, the behavior of its employees and, in turn, the costs resulting from on-the-job injuries. The valuation of existing cases and the cost of new cases together in PQ II/FY 2025 jumped 81% (to \$999 million) from \$552 million during PQ II/FY 2024.

Revenue and volume

As noted, the agency's total operating revenue was essentially unchanged from PQ II/FY 2024, and that was largely reflected in the contributing classes of mail. Despite price

	Three Months Ended March 31,		Six Months Ended March 31,	
(in millions)	2025	2024	2025	2024
Operating Revenue:				
First-Class Mail	\$ 6,653	\$ 6,584	\$ 13,658	\$ 13,305
Marketing Mail ¹	3,603	3,653	8,193	7,792
Shipping and Packages ²	7,768	7,716	17,119	16,795
International	336	359	719	788
Periodicals	214	220	456	458
Other ³	1,130	1,180	2,058	2,188
Total operating revenue	\$ 19,704	\$ 19,712	\$ 42,203	\$ 41,326
Volume:				
First-Class Mail	10,991	11,671	22,426	23,570
Marketing Mail ¹	13,031	13,818	29,659	29,352
Shipping and Packages ²	1,597	1,715	3,611	3,748
International	68	73	146	165
Periodicals	601	671	1,282	1,401
Other ⁴	58	58	236	243
Total volume	26,346	28,006	57,360	58,479

	Three Months Ended March 31,		Six Months Ended March 31,	
(in millions)	2025	2024	2025	2024
Shipping and Packages Revenue:				
Priority Mail Services ¹	\$ 1,563	\$ 1,944	\$ 3,454	\$ 4,430
Parcel Services ²	2,179	2,445	5,166	5,460
USPS Ground Advantage	3,788	3,095	8,023	6,427
Package Services	238	232	476	478
Total Shipping and Packages revenue	\$ 7,768	\$ 7,716	\$ 17,119	\$ 16,795
Shipping and Packages Volume:				
Priority Mail Services ¹	136	180	295	416
Parcel Services ²	673	867	1,707	1,934
USPS Ground Advantage	681	555	1,394	1,169
Package Services	107	113	215	229
Total Shipping and Packages volume	1,597	1,715	3,611	3,748

increases of nearly 10% on market-dominant mail, total revenue was actually *lower* because of volume loss; revenue from First-Class Mail was 5.8% lower while Marketing Mail was off by 5.7%.

Prices for competitive products also increased since PQ II/FY 2024, but revenue for them was up only 0.67% and total volume *fell* 6.9%. In its release, the USPS claimed it is

"... seeing strong market acceptance of shipping products like *USPS Ground Advantage* and adopting an increasingly competitive posture across our product portfolio ..."

but such positivity is misleading: the increase in Ground Advantage volume was more than offset by the combined decreases in other competitive categories; total competitive product volume was down 6.88%.

The Plan

Though the USPS cited former PMG Louis DeJoy's 10-Year Plan *seventeen times* in its *Form 10-Q* as the playbook by which it continues to operate and as the guarantor of future improvement, it never indicates any thought that The Plan – now five years into its ten year arc – isn't producing the results its authors foresaw. On page 32 of its *Form 10-Q* the USPS acknowledges:

"... we continue to face systemic imbalances that make our current operating model unsustainable. We have adequate short-term liquidity as of March 31, 2025, however, in the medium to long-term, our liquidity remains insufficient to pay all obligations, to make capital investments necessary for continuity of operations, and to prepare for unexpected contingencies."

Nonetheless, the USPS again bravely reassures readers that, no matter the current condition, its implementation of The Plan must continue as it is the only path toward financial stability, stating in its press release:

"While full success of the plan still requires further administrative and legislative actions, the plan delivers the framework for us to better innovate to grow revenue, work more efficiently, and achieve financial sustainability to fulfill our universal service mission over an integrated network to deliver both mail and packages."

USPS Announces Increases in Competitive Product Prices

In a May 9 filing with the Postal Regulatory Commission, the Postal Service stated it plans to increase prices for some competitive products on July 13, concurrent with the anticipated implementation of higher rates for market-dominant products. The changes were summarized in the Governors' Statement of Explanation and Justification:

I. Domestic Products

A. Priority Mail Express. Priority Mail Express prices will not change for July 2025, and the existing price structure will be maintained. Non-Standard Fees (NSF) applicable to Priority Mail Express packages will be restructured for July 2025. Finally, the IMpb Noncompliance Fee will be renamed the Package Quality Noncompliance Fee.

B. Priority Mail. On average, Priority Mail prices will be increased by 6.3%, and the existing price structure will be maintained. Retail prices will increase by an average of 7.3%. Retail Flat Rate Box prices will be: Small, \$11.70; Medium, \$21.05; Large, \$29.95 and Large APO/FPO/DPO, \$28.70. Thus, the Large APO/FPO/DPO Flat Rate Box will be \$1.25 less than the Large Flat Rate Box. The regular Flat Rate Envelope will be priced at \$11.00, with the Legal Size and Padded Flat Rate Envelopes priced at \$11.20 and \$11.95, respectively. The Commercial price category will increase by 5.1% on average. Commercial prices will, on average, reflect a 14.6% discount off of Retail prices. Non-Standard Fees (NSF) applicable to Priority Mail packages will be restructured for July 2025. Finally, the IMpb Noncompliance Fee will be renamed the Package Quality Noncompliance Fee.

C. Parcel Select. On average, Parcel Select prices as a whole will increase 7.6%. For destination delivery unit (DOU) entered parcels, the average price increase is 10.0%. For destination hub (Dhub) entered parcels, the average price increase is 0.0%. For destination sectional center facility (DSCF) destination entered parcels, the average price increase is 7.2%. For Connect Local, introduced in 2022, the average price increase is 5.7%. The destination network distribution center (DNDC) price category within the Parcel Select product will be eliminated for July 2025, because it now has limited operational value based on recent network changes. Non-Standard Fees (NSF) applicable to Parcel Select packages will be restructured for July 2025. Finally, the IMpb Noncompliance Fee will be renamed the Package Quality Noncompliance Fee.

D. USPS Ground Advantage. USPS Ground Advantage, introduced in July 2023, is the Postal Service's flagship ground package product. Overall, USPS Ground Advantage prices will increase 7.1% on average, and the existing structure will be maintained. Retail prices will increase 9.8% on average, while Commercial prices will increase 4.7% on average. The Alaska Limited Overland Routes (LOR) price category will see a 9.9% average increase for July 2025. New for July 2025, USPS Ground Advantage Commercial packages will be sealed against inspection, which will better align it with our Retail offering and help to grow USPS Ground Advantage volume. Non-Standard Fees (NSF) applicable to USPS Ground Advantage packages will be restructured for July 2025. Finally, the IMpb Noncompliance Fee will be renamed the Package Quality Noncompliance Fee.

E. Domestic Extra Services. No competitive Extra Services prices will change for July 2025.

II. International Products. No competitive International Products prices will change for July 2025.

The USPS filing explained four planned classification changes:

- **USPS Ground Advantage Commercial packages will be sealed against inspection**, bringing the Commercial price category better in line with our existing Retail offering. This change is designed to help grow volume by making USPS Ground Advantage Commercial an even more attractive option to Commercial customers. It will enable customers with packages that may contain Personally Identifiable Information (PII) to utilize USPS Ground Advantage Commercial for their shipping needs, as well as USPS Ground Retail or Priority Mail, since all will be sealed against inspection. Reducing this potential confusion in product selection will make USPS Ground Advantage a more appealing choice. Customers will also benefit from a more consistent alignment between USPS Ground Advantage Commercial and Retail, as this is a continuation of our product simplification efforts over the past few years.

The *Mail Classification Schedule* language regarding the contents of USPS Ground Advantage items is being revised to state that

"Any mailable matter may be mailed as USPS Ground Advantage mail. ... USPS Ground Advantage mail is sealed against postal inspection and shall not be opened except as authorized by law."

In effect, USPS Ground Advantage will have the same content description and protection as does First-Class Mail.

- The **Destination Network Distribution Center (DNDC) price category** within Parcel Select is **being discontinued** because this entry point no longer offers operational value to the Postal Service under the updated network design. It no longer offers operational value because NDCs are no longer used as consolidation points in the network for all ground packages. Therefore, a package entered at an NDC now receives essentially the same service as USPS Ground Advantage, so customers can use USPS Ground Advantage instead of Parcel Select. Consistent with other recent product changes to Parcel Select, this change will further simplify the product offering overall and rationalize incentives for users to use entry points that better utilize the enhanced network. Further, the Postal Service expects this classification change will have a net positive impact on customers by simplifying the Parcel Select product and destination entry price tables.
- **Non-Standard Fees** are being restructured across multiple competitive products, which will include a new category applicable to items with non-standard characteristics such as tubes or rolls, liquids, wooden boxes, etc.

The *Mail Classification Schedule* language describing the characteristics of a "non-standard item" include: any round or triangular tube; a can, or a wooden or metal box; an insecurely wrapped or prepared parcel as provided under DMM 601.3.0 and 601.4.0; a metal-banded parcel as provided under DMM 601.3.12; and a parcel containing more than 24 ounces of liquid in glass containers, or one gallon or more of liquid in metal or plastic containers.

- The **IMpb Noncompliance Fee** is being renamed as the **Package Quality Noncompliance Fee**. As labeling and barcoding technology and standards have evolved, the "IMpb" label alone no longer fully reflects the scope of the fee. The fee amount will not change; it remains at \$0.25. The Postal Service submits that the classification changes to reflect the name change should be considered minor in nature, as they simply update the MCS to reflect the current name already utilized in the DMM and Notice 123.

OIG Issues Update on First-Class Mail Service

The evolution of USPS service performance of First-Class Mail and Priority Mail since 2022 was the subject of *Delivering for America: First-Class Mail and Priority Mail Service Performance Update*, an audit report released May 7 by the Postal Service's Office of Inspector General. The OIG stated:

"Our objective was to assess the Postal Service's First-Class Mail and Priority Mail service performance since fiscal year (FY) 2022. The review looked broadly at service performance changes, trends, failure points, and causes."

Findings and recommendations

- **"Finding #1: Service Performance Continues to Fall Despite Expanding Service Standards.** The Postal Service has started making major changes to its network over the last few years and updated service standards two times to support cost cutting initiatives. Even with the additional days added to standards, the Postal Service has struggled to achieve those standards and is delivering fewer mailpieces on time. ... Management attributes the decrease in service performance to challenges implementing unprecedented major changes to its network. ...

"Since the first full fiscal year of the DFA plan, the Postal Service's on-time performance has declined for First-Class Mail and Priority Mail, especially in the last fiscal year. From FY 2022 to FY 2024, on-time performance declined by four percentage points or more. With these declines, the Postal Service did not meet its internal performance targets in FY 2023 or 2024. ... However, the Postal Service decreased its FY 2025 targets, with First-Class Mail decreasing 4.5 percentage points to 88%, indicating the Postal Service doesn't expect it can meet targets of recent years and actual performance will be closer to the new targets.

"In FY 2022, the Postal Service extended its First-Class Mail service standards to allow up to an additional two days for delivery of some mail within the contiguous United States by introducing 4-day and 5-day delivery time frames. From the change to standards in 2022 and 2025, the Postal Service has increased the service standard for more than 30% of mail, providing the Postal Service with additional time to meet performance targets. The Postal Service is planning further revisions to service standards in the summer of 2025 to support its RTO initiative. Management has stated that without these revisions, it will not be able to meet current First-Class Mail performance obligations. ...

"While the changes for First-Class Mail, overall, are minimal, Single Piece First-Class Mail is expected to experience the largest impact, with almost 40% of all Single Piece mail having its service standard extended (see fig. 4). ...

"Postal Service management attributed the decline in performance in recent years to the extensive changes the agency is undergoing, as well as several unexpected disruptions within the network. Management explained that each network change has unique impacts, and there is no one-size-fits-all solution.

"We found the Postal Service has teams and functions in place to quickly identify, assess, and address large network-wide challenges from the DFA plan as they arise. However, it appears the Postal Service's network will be in a transitional state for an undetermined number of years.

"Given that these changes are still underway, it is probable that service performance will remain below targets as the Postal Service continues to implement these large-scale adjustments, as evidenced by the Postal Service's decision to both change the service standards and lower the service targets for FY 2025.

"In addition to the large-scale changes impacting nationwide service performance, our audit work in FY 2024 highlighted continuous

operational issues at local facilities impacting mail delivery timeliness. At 62 facilities reviewed by OIG in FY 2024, we found 1.5 million pieces of delayed mail due to operational issues such as:

- Local management not providing adequate oversight.
- Management not ensuring mail has been cleared from a delivery unit after the carriers depart for their routes, and/or after the trucks leave from a processing facility.
- Delivery units and processing facilities operating with insufficient staffing due to low employee availability and unscheduled absences.
- Resources not being allocated correctly by management to ensure proper coverage of critical operations.
- Machinable mail being manually sorted instead of being sorted by a machine."

The OIG offered three recommendations:

- [1] "... continue to identify potential risks and failure points based on past implementations and pilot programs prior to implementing new initiatives or activating new facilities. Additionally, we recommend implementation of a detailed plan to address past issues and monitor progress for improvement.
- [2] "... discontinue applying competitive product [redacted] implementing a more transparent and proactive communication strategy when [redacted].
- [3] "... provide transparency to stakeholders on how long service performance will be affected by network changes and when expected changes will be completed."

The OIG added that "Management disagreed with this finding, agreed with 1 and 3, and disagreed with recommendation 2."

- **"Finding #2: Increased Risk of Priority Mail Service Failure Is Occurring When Processed at Three or More Locations.** Priority Mail pieces sorted at three or more facilities before being delivered had significantly lower service performance than pieces sorted at one or two facilities. ...

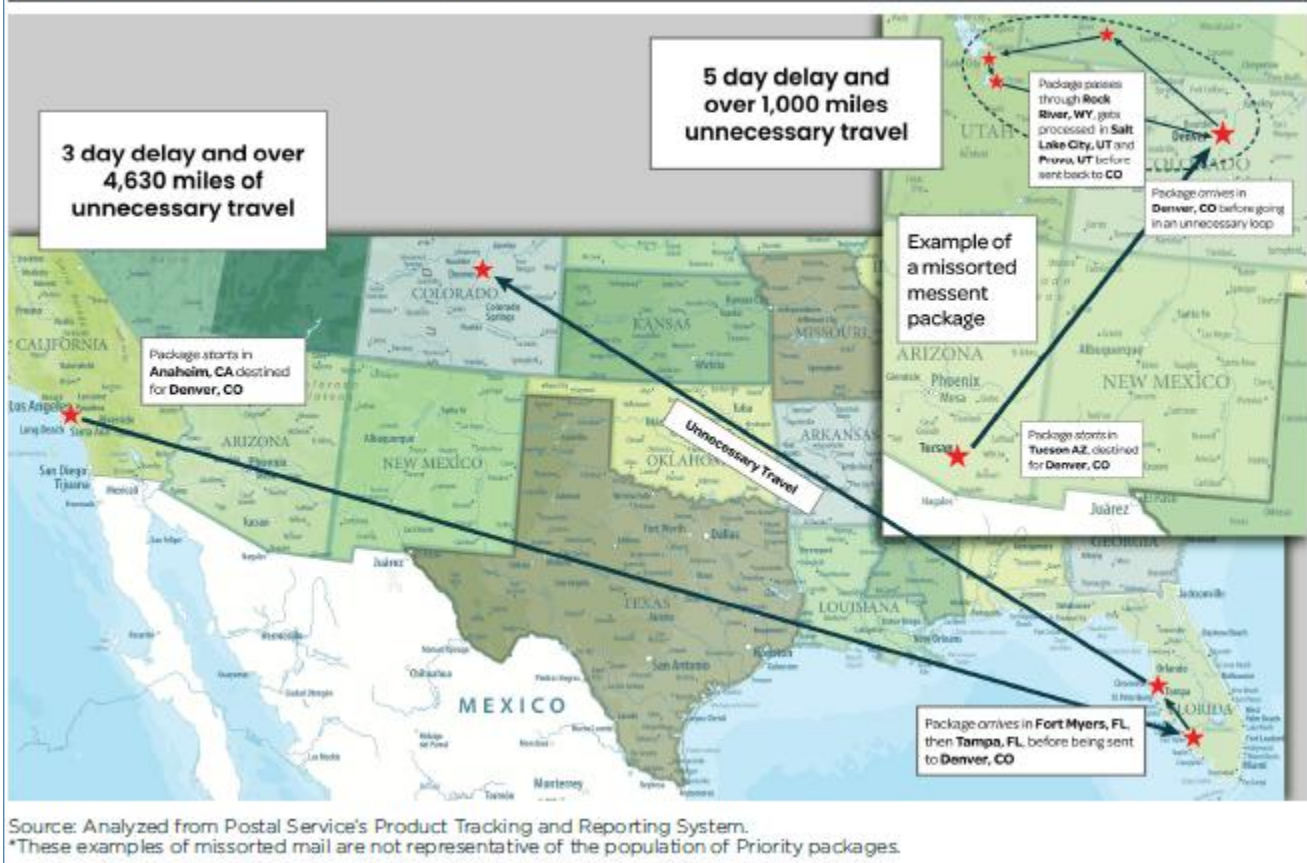
"Inefficient mail flows and missorted and missent mail can result in mailpieces being sorted at more facilities than needed, increasing the risk for delay. In FY 2024, over 8% of Priority Mail pieces were sorted at three or more facilities that resulted in higher failure rates. ... Furthermore, when a package is missorted, it is sent to the wrong processing facility or delivery unit, causing it to travel distances unnecessarily and undergo reprocessing. ...

"Once a package passes through more than two processing facilities, the chances of meeting on-time performance standards decrease substantially. This also increases handling costs. Additionally, when mail is missent, misrouted, or undergoes unnecessary processing, it increases the risk of delays. ...

"The left area of figure 6 [next page] demonstrates a package sent from Anaheim, CA, on January 28, 2025, expected to be delivered in Broomfield, CO, by January 31, 2025. However, the package was erroneously sent to Fort Myers, FL, and Tampa, FL, on January 30, 2025. The package was then rerouted back to Denver on February 1, 2025, before being delivered on February 3, 2025.

The upper right corner of figure 6 demonstrates a package sent from Tucson, AZ, on January 23, 2025, expected to be delivered in Aurora, CO, by January 27, 2025. However, the package was transported to Denver on January 25, 2025, then erroneously sent to Salt Lake City, UT, via Rock Springs, WY, on January 26, 2025. It was further transported to Provo, UT, on January 27, 2025. The package was then rerouted back to Denver on February 1, 2025, before being delivered on February 3, 2025."

Figure 6. Missorted/Misrouted Packages



The OIG recommended:

- [4] "... analyze the root cause of processing facilities with high amounts of missorted and misrouted mail and develop a plan to reduce misrouted and missorted mail.
- [5] "... analyze network flow that requires excessive processing touch points and identify opportunities to streamline that mail."

The OIG noted that "Management disagreed with the risk noted in the finding but agreed with recommendations 4 and 5."

- **"Finding #3: Delivery Point Sequence Program Shortfall.** The Postal Service has not fully optimized its DPS Program, which uses automated machines to sort letters in the order they will be delivered by mail carriers. During FY 2023 and FY 2024, 92.5% (or 46.5 billion pieces per year) of letter mail was processed through DPS, falling 4% (3.8 billion pieces per year) short of the 97% target. The shortfall is required to be manually sorted, increasing the time and cost it takes to deliver those mailpieces. ...
 "The Postal Service largely attributes the low DPS processing rates to commercial mailers who pay for machinable rates but send non-machinable mail that does not meet automation or machinability standards. For example, mail from certain retailers can cause sorting machine jams due to the material, thickness, or other characteristics of the mailpiece that can make it non-machinable.
 "Despite ongoing efforts by management to address these issues in collaboration with mailers, DPS processing rates have shown limited improvement over time. Previous audits have identified additional contributing factors to not meeting DPS targets, including insufficient management oversight and a lack of preventative maintenance. ..."

The OIG recommended:

- [6] "... create an action plan to track, identify, and correct the main causes of mail not automated in Delivery Point Sequence (DPS)

to improve the DPS rate for the bottom performing processing facilities, and share the results with other processing facilities."

The OIG reported that "Management disagreed with the finding, the monetary impact, and recommendation 6."

- **"Finding #4: Decreasing and Missed On-Time Operational Execution.** For FY 2024, the Postal Service surpassed its planned target for the percent of processing operations completed on time but fell short compared to FY 2023. Operating plan precision tracks how closely each processing facility adheres to its daily planned schedule, including meeting expected clearance times. Specifically, mail processing facilities achieved an overall average operating precision of 84.7% on time, exceeding the target. However, this represents about a 3-percentage point decline from the previous year's 87.3% on-time performance.
 "Additionally, while the Postal Service met the target nationally, there were 111 days (or 30 percent of all processing days) in FY 2024 when facilities did not meet the target. For those days, facilities showed significant underperformance when they failed to meet their daily goal, meeting only 77% of their operations on time.
 "Management cited employee availability, training opportunities, and leadership development as areas needing attention to ensure teams consistently hit their targets and meet facility deadlines."

The OIG recommended that management

- [7] "... implement targeted improvement plans for underperforming facilities, focusing on addressing operational inefficiencies, enhancing staff training, and optimizing daily operation alignment to consistently strive to meet or exceed on-time performance goals."

The OIG added that "Management disagreed with the finding but agreed with recommendation 7."

USPS Opens More S&DCs

In a May 12 *Industry Alert*, the Postal Service announced the opening of 22 new sorting and delivery centers and the addition of more delivery areas to others. The agency added that “Commercial customers should drop their flat bundles or packages for drop shipment at the S&DC serving the respective destinating ZIP Codes. The opening of the new S&DCs will not impose Post Office closures or cause customers to experience changes to the local Post Office retail and PO Box delivery services.”

Location		ZIP Codes Served
May 3, 2025, site with additional 5-Digit ZIP Code moves:		
Jonesboro AR	3405 Moore Rd Jonesboro AR, 72401	72401, 72403-72405
May 31, 2025, sites without additional 5-Digit ZIP Code moves:		
Columbus OH (Westland)	770 Georgesville Rd Columbus OH 43228	43119, 43204, 43228
Egg Harbor Township NJ	5 Columbus Ave Egg Harbor Township NJ 08234	08201, 08205, 08225, 08232, 08234, 08241
Hammond IN	5530 Sohl Ave Hammond IN 46230	46320, 46324, 46325, 46327
London KY	1760 Highway 192 W London KY 40741	40724, 40741-40745, 40750
May 31, 2025, site with additional 5-Digit ZIP Code moves:		
Bowling Green KY	5300 Scottsville Rd Bowling Green KY 42104	42101-42104, 42122, 42159, 42171, 42274
Elmira NY	1580 Sullivan St Elmira NY 14901	14805, 14814, 14816, 14830, 14831, 14838, 14845, 14861, 14864, 14865, 14869, 14871, 14872, 14894, 14901-14905
Fort Meyers FL (Page Field)	2655 N Airport Rd Fort Meyers FL 33907	33901, 33902, 33906, 33907, 33913, 33916, 33919, 33931, 33932, 33966
Pittsburgh PA (Pleasant Hills)	500 Regis Ave Pittsburgh PA 15236	15045, 15122, 15129, 15227, 15236
Saginaw MI	1233 S Washington Ave Saginaw MI 48601	48601-48607, 48609, 48638, 48663, 48710, 48722
May 31, 2025, existing site adding an additional 5-Digit ZIP Code move:		
Gainesville FL	4600 SW 34 St Gainesville FL 32608	32601, 32604-32606, 32609, 32627, 32641
Jonesboro AR	3405 Moore Rd Jonesboro AR 72401	72411, 72417, 72421, 72437
July 26, 2025, sites without additional 5-Digit ZIP Code moves:		
Berkley CA	1150 8 th St Berkley CA 94710	94702, 94704, 94706-94710, 94720
Bloomington IL	1511 E Empire St Bloomington IL 61701	61701, 61702, 61704, 61705, 61709, 61709, 61710, 61758, 61761, 61790, 61791, 61799
Fort Collins CO	301 Boardwalk Dr Fort Collins CO 80525	80525-80528, 80547, 80553
La Puente CA	15310 Elliot Ave La Puente CA 91747	91744-91747, 91749
Livermore CA	2090 Las Positas Ct Livermore CA 94550	94450, 94551
Redondo Beach CA	1201 N Catalina Ave Redondo Beach CA 90277	90254, 90277, 90278
San Mateo CA	1630 S Delaware St San Mateo CA 94402	94401-94404, 94497
Southfield MI	22200 W 11 Mile Rd Southfield MI 48037	48025, 48033, 48034, 48037, 48075, 48076, 48086
Sterling Heights MI	7007 Metropolitan Pkwy Sterling Heights MI 48311	480310-48314
Van Nuys CA	15701 Sherman Way Van Nuys CA 91406	91401, 91405, 91406, 91411, 91499
Vancouver WA	2700 Caples Ave Vancouver WA 98661	98660, 98861, 98663, 98665, 98668, 98685, 98686
Whittier CA	8520 Michigan Ave Whittier CA 90605	90602-90607

Customer Proposes “Do-Not-Deliver” Option

For years, the ratepaying clients of commercial mail producers have had to fend off legislative measures to enable addressees to opt-out of having mail sent to them. Though “do-not-mail” requests are already feasible through non-postal “mail preference services,” proponents of legislative measures note the delay in getting names removed from mailing lists and the failure of third-party list owners to ensure their lists reflect consumer requests.

Do-not-deliver

A proposal received by the Postal Regulatory Commission on April 28 took a different approach.

Docketed as PI2025-3, the *Proposal for Consumer-Driven Bulk Mail Opt-Out via Informed Delivery with Revenue Offset* was submitted by Jammin Jablanski, a private individual with no apparent connection to mail other than being a postal customer.

The proposal stated:

“This proposal addresses the widespread consumer dissatisfaction with unwanted bulk mail while recognizing USPS’s reliance on bulk-rate revenue. It recommends an ‘Opt-Out with Offset’ program integrated into USPS’s existing Informed Delivery system, allowing consumers to pay a small per-piece fee (e.g., \$0.10) to decline delivery of selected bulk-rate mail items. This approach balances consumer choice, USPS revenue stability, and environmental benefits.

“Background and Justification: Bulk mail constitutes approximately 40% of USPS revenue, yet surveys consistently show significant consumer frustration with unsolicited mail. The environmental cost of producing, transporting, and disposing of unwanted mail is substantial. USPS’s Informed Delivery platform already provides digital previews of incoming mail, making it an ideal system to enable user-controlled delivery preferences without significant operational overhead.

“Proposed Model:

- Eligibility: Any consumer enrolled in Informed Delivery.
- Mechanism: Consumers view scanned images of incoming mail via Informed Delivery.
- Eligible bulk-rate items are flagged with an option: ‘Do Not Deliver This Item.’
- Opt-out selection triggers a suppression fee (e.g., \$0.10 per item) billed to the user’s account.
- Bulk mailers are informed of opt-out metrics but not individual consumer identities.

“Anticipated Benefits:

- Improved consumer satisfaction and trust.
- Reduced environmental waste from unwanted mail.
- Maintained or increased USPS revenue through opt-out fees.
- Aligned USPS services with modern consumer expectations.
- Option for bulk mailers to receive opt-out analytics, enhancing transparency.

“Addressing Potential Concerns:

- Revenue Loss: Offset through consumer opt-out fees.
- Bulk Mailer Resistance: The model respects bulk mailers’ rights to send mail; only recipient choice is exercised.
- Operational Complexity: Minimal, leveraging USPS’s current Informed Delivery infrastructure.

“Call to Action: I invite the Postal Regulatory Commission to consider a feasibility study or pilot program for this opt-out approach. The program could enhance consumer satisfaction, reduce waste, and provide a sustainable model that preserves USPS revenue.”

Referral

On May 15, the PRC referred the proposal to the Postal Service for its consideration, stating in part:

“The Commission appreciates Mr. Jablanski’s interest in improving the postal system. However, the Postal Service is better suited to consider the Proposal directly and evaluate the financial and operational feasibility of implementing the opt-out feature for several reasons.

“First, Mr. Jablanski asserts that the Postal Service could implement the Proposal ‘without significant operational overhead’ by leveraging the existing Informed Delivery platform. **This may not be true** if the Informed Delivery platform is unable to flag eligible bulk-rate mailpieces with an opt-out option. The Postal Service may have to create a new platform, **which could increase costs**. Also, how the Postal Service would stop delivery of flagged mailpieces is unclear, and it **may incur additional expenses** in doing so.

“Second, Mr. Jablanski asserts that the opt-out fees would offset any revenue loss. The Postal Service is in a better position to evaluate potential revenue loss because of its relationship with both bulk mailers and customers.

“Third, it is unclear what ‘opt-out’ metrics the Postal Service would provide to bulk mailers and how it would do so without revealing customer identities.

“The Commission refers this Proposal to the Postal Service for it to consider. ...”

Observations

As the PRC detected, the proposal wouldn’t be as simple to implement as it sounds, and may result in additional costs, especially if the carrier needs somehow to get involved at the time of delivery.

Looking at the proposal more broadly, the proposal has merit to Mr. Jablanski because it reflects the perspective of an addressee tired of receiving unwanted direct mail. To his credit, he’s trying to find a solution.

However, the perspective of the sender of that mail is very different – they’re paying a mailer to have it produced and the USPS to have it delivered. For the Postal Service to adopt a process that, for a fee, would thwart the purposes of the ratepaying sender would seem a conflict of interest at least, and likely contrary to statute and the agency’s mission. Simply put, the sender pays to mail to the addressee, and nothing less than delivery to that person is expected.

On a higher level is the conceptual value of direct mail – its effectiveness and value for the sender’s money. Establishing a process that lets mail *not be delivered* undermines the value of mail to the sender and encourages diversion of the sender’s messages to other media – hardly in the interests of the Postal Service even if it would be collecting a fee.

Nonetheless, the proposal does reflect a legitimate problem: the failure of marketers and list owners to manage their databases and address lists. Aside from spotty compliance with address correction and related postal requirements, the parties are failing to recognize what’s represented by some recipients’ unwavering nonresponse to repeated solicitations.

While it may be true that repeated messages are required to make a sale or gain a donation, there’s a point where the sender needs to yield, and weed out chronic non-respondents. Not doing so inspires frustrated mail recipients like Mr. Jablanski to develop proposals that – if ever implemented – would hurt *all* mailers as well as the Postal Service.

Despite Lower Targets, Service Performance Worsens

PQ II/FY 2025 service performance continued an unimpressive pattern; the Postal Service's own data reveals that most district and area scores continued to be below targets, even though the targets were significantly lower than in FY 2024.

Moreover, only mail "in measurement" is reflected in USPS service scores and, for Marketing Mail, little other than destination-entered mail is measured, clearly skewing what would be the true Marketing Mail scores if the less efficient origin-entered mail were better represented in the mix.

The first chart, below, shows the trend of national level service over the past fourteen quarters, often reflecting typical seasonal variation. These are aggregated figures based on homogenized, national level class averages that combine the results for all categories and presort levels, often concealing the outlying scores visible in more granular data.

PQ II/FY 2025 national level scores were lower compared to PQ II scores for the past three fiscal years. Districts in the west again generally performed better; WestPac Area had 14 of the 16 best quarterly average scores for First-Class Mail and Marketing Mail while, of the 16 worst, Southern Area had 7 and Central Area had 9.

A minority of the districts hit the service targets for most First-Class Mail: 23 for overnight; 23 for two-day service; and 12, 10, and 17 districts for 3-day, 4-day, and 5-day service, respectively. Only three districts (CA 1, CA 3, and CA 6) met

all the targets, while 17 of the 50 districts (MD, VA, IL1, IL2, KS/MO, KY/WV, OH1, OH2, WI, MI1, AL/MS, AR/OK, FL1, GA, LA, SC, and TN) missed all the targets – as did all national level scores for First-Class Mail.

For Marketing Mail, 20 districts achieved the service targets for letters, 13 for flats, and 16 for carrier route mail. Eleven districts (NY3, AZ/NM, CA1, CA2, CA3, CA5, CA6, HI, ID/MT/OR, NV/UT, and WA) met all the targets, while 26 (DE/PA2, MD, NY1, VA, IL1, IL2, IN, KS/MO, KY/WV, MI1, OH1, OH2, WI, AL/MS, AR/OK, FL1, FL2, FL3, GA, LA, PR, SC, TN, TX1, TX2, and TX 3) missed all the targets – as did all national level scores for Marketing Mail.

Scores for Periodicals are not reported below the area level. The national level score, and three of the area level scores (except for WestPac), failed to achieve the service target.

The second chart, below, shows the number of districts in each area that met the service target for the corresponding First-Class Mail or Marketing Mail – and that a majority of districts are falling short of meeting those targets.

The more granular data on the next page summarizes district and area scores for Presorted First-Class Mail letters/cards (overnight and 2-, 3-, 4-, and 5-day) and overall Marketing Mail (letters, flats, and carrier route). Even more granular data is available from the PRC on the commission's website under the May 12 daily listing.

Summary of National-Level Service Performance – FY 2022-2025 (Scores in red are below target.)																	
Targets	Presorted First-Class Mail Letters/Postcards										Marketing Mail					Periodicals	
FY 22	94.75% overnight, 93.00% 2-day, and 90.50% 3-, 4-, & 5-day										91.84%					82.67%	
FY 23	95.00% overnight, 93.52% 2-day, and 92.20% 3-, 4-, & 5-day										93.64%					85.75%	
FY 24	95.00% overnight, 95.00% 2-day, and 93.00% 3-, 4-, & 5-day										94.62%					87.29%	
FY 25	94.00% overnight, 92.00% 2-day, and 88.00% 3-, 4-, & 5-day										Letters: 95.20%; Flats: 86.00%; CR: 94.00%					84.00%	
	Quarter					Year-to-Date					Quarter					Qtrr	
	Over-night	2-Day	3-day	4-day	5-day	Over-night	2-Day	3-day	4-day	5-day	Over-all Ltrs	Over-all Flts	Over-all CR	Over-all Ltrs	Over-all Flts	Over-all CR	Com-bined
PQ I/22	95.0	92.4	87.2	91.8	96.5	95.0	92.4	87.2	91.8	96.5	93.1	81.4	91.3	93.1	81.4	91.3	80.3
PQ II/22	94.3	92.3	86.0	86.8	94.2	94.7	92.3	86.6	89.3	95.3	93.0	81.7	93.0	93.1	81.5	91.8	81.1
PQ III/22	95.6	94.7	93.0	94.5	97.3	95.0	93.1	88.6	91.0	96.0	95.8	86.5	95.1	94.0	83.0	92.7	86.4
PQ IV/22	95.5	94.5	93.3	94.3	95.9	95.1	93.4	89.7	91.8	95.9	95.8	88.1	95.1	94.4	84.3	93.3	86.6
PQ I/23	94.4	93.1	91.2	92.2	93.4	94.4	93.1	91.2	92.2	93.4	95.0	85.5	93.6	95.0	85.5	93.6	84.4
PQ II/23	94.9	93.9	92.0	91.6	91.1	94.6	93.5	91.6	91.9	92.2	95.9	88.1	94.3	95.4	86.6	93.9	86.3
PQ III/23	95.3	94.4	93.4	94.0	91.3	94.8	93.8	92.2	92.6	91.9	97.0	91.3	95.6	95.9	88.0	94.3	88.7
PQ IV/23	95.2	93.9	92.3	92.6	90.2	94.9	93.8	92.2	92.6	91.5	96.6	89.9	94.7	96.0	87.9	94.4	85.8
PQ I/24	94.1	91.4	86.6	94.1	91.4	94.1	91.4	86.6	94.1	91.4	95.3	85.1	91.9	95.3	85.1	91.9	80.3
PQ II/24	93.0	91.4	84.8	85.5	77.2	93.5	91.4	85.7	87.0	79.1	94.7	84.7	93.0	95.0	84.9	92.3	83.9
PQ III/24	93.3	91.0	86.1	88.2	83.1	93.4	91.2	85.9	87.5	80.9	94.7	84.7	93.4	94.9	84.8	92.6	83.9
PQ IV/24	93.9	92.7	90.2	91.8	92.2	93.5	91.5	86.8	88.4	83.2	96.1	86.1	94.3	95.2	85.1	93.0	84.2
PQ I/25	93.2	90.8	85.2	86.6	83.7	93.2	90.8	85.2	86.6	83.7	94.0	81.0	92.0	94.0	81.0	92.0	78.4
PQ II/25	93.0	89.7	80.5	86.0	85.3	93.1	90.3	82.9	86.5	84.9	93.2	77.7	89.8	93.7	79.6	91.1	76.7
PQ III/25																	
PQ IV/25																	

District Target Achievement by Area Between 01/01/2025 and 03/31/2025 (PQ II/FY 2025)																	
Area	Presorted First-Class Letters/Postcards										Marketing Mail						
	Quarter					Year to Date					Letters (Overall)		Flats (Overall)		Car Rte (Overall)		
	O'night	2-Day	3-Day	4-Day	5-Day	O'night	2-Day	3-Day	4-Day	5-Day	Qtr	Yr to Dt	Qtr	Yr to Dt	Qtr	Yr to Dt	Qtr
Atlantic	7/12	4/12	0/12	2/12	4/12	5/12	4/12	2/12	4/12	3/12	6/12	6/12	1/12	2/12	3/12	4/12	
Central	3/12	4/12	0/12	2/12	2/12	2/12	2/12	0/12	2/12	3/12	1/12	1/12	0/12	0/12	1/12	2/12	
Southern	1/13	3/12	2/12	2/13	5/13	1/13	3/12	1/12	2/13	4/13	0/13	0/13	0/13	0/13	0/13	0/13	
WestPac	12/13	12/12	10/12	4/13	6/13	12/13	11/12	11/12	4/13	5/13	13/13	13/13	12/13	10/13	12/13	11/13	
Nation	23/50	23/48	12/48	10/50	17/50	20/50	20/48	14/48	12/50	15/50	20/50	20/50	13/50	12/50	16/50	17/50	

USPS Service Performance – % On-Time for <i>Mail in Measurement</i> Between 01/01/2025 and 03/31/2025 (PQ II/FY 2025)																
Area/District *	Presorted First-Class Letters/Postcards **										Marketing Mail **					
	Quarter					Year to Date					Letters (Overall)		Flats (Overall)		Car Rte (Overall)	
	O'night	2-Day	3-Day	4-Day	5-Day	O'night	2-Day	3-Day	4-Day	5-Day	Quarter	Yr to Dt	Quarter	Yr to Dt	Quarter	Yr to Dt
Atlantic	93.9	90.7	83.0	86.8	87.7	93.8	91.1	85.1	87.5	86.1	94.6	94.9	80.8	82.7	91.6	92.5
Connecticut	94.8	90.0	78.4	84.2	83.3	94.6	89.4	83.2	85.3	82.3	96.5	96.0	83.6	85.2	93.7	93.9
DE-PA 2	94.5	89.2	81.2	86.4	85.4	91.3	89.8	82.9	87.1	83.4	94.0	93.7	76.8	79.3	90.8	92.3
MA-RI	94.1	92.7	83.5	85.4	84.2	93.2	92.9	84.6	85.9	78.8	95.5	95.0	84.7	84.3	93.9	93.5
Maryland	87.9	83.7	79.1	82.7	77.8	88.7	85.9	80.6	82.9	75.5	93.4	94.1	76.9	79.0	89.2	90.9
ME-NH-VT	94.8	91.3	86.0	85.7	80.6	95.4	91.8	86.7	86.6	79.4	94.8	95.2	81.6	83.3	91.2	91.2
New Jersey	95.8	91.8	81.2	86.7	90.2	95.7	91.7	83.0	87.9	89.3	94.3	95.1	79.9	81.7	93.7	94.4
New York 1	77.0	85.6	87.0	87.6	87.8	80.2	87.0	88.1	89.0	83.9	89.0	91.1	70.4	75.9	82.2	85.6
New York 2	90.9	90.5	79.4	86.4	90.8	89.7	90.9	82.5	87.0	84.9	95.2	95.4	77.1	80.4	94.6	94.7
New York 3	94.8	93.1	86.8	87.9	83.7	94.8	93.6	88.7	88.6	80.3	96.0	96.2	87.7	88.7	94.5	94.4
North Carolina	91.3	93.1	85.7	88.4	92.3	92.5	93.3	87.7	88.3	91.4	96.3	96.1	82.4	84.2	91.6	92.9
Pennsylvania 1	94.4	93.1	83.1	88.4	91.6	94.1	93.1	85.3	89.3	91.0	96.3	95.9	85.0	86.6	95.6	95.4
Virginia	91.0	88.3	81.0	82.7	73.2	92.2	89.9	83.6	83.4	73.0	93.0	94.2	77.2	80.1	85.1	87.9
Central ↓FCM Q2/YTD & MKT Q2/YTD	90.8	84.0	77.2	85.3	82.1	91.4	85.5	80.4	86.0	84.6	90.8	91.7	69.9	73.0	85.3	88.0
IA-NE-SD	94.5	93.6	82.5	92.3	90.0	92.4	92.6	84.4	92.1	90.6	94.4	92.0	83.5	83.8	94.4	94.1
Illinois 1	72.3	80.8	70.1	80.8	79.4	76.6	83.0	75.3	82.3	84.1	86.8	89.1	66.7	73.0	82.1	86.2
Illinois 2	91.6	85.7	80.0	76.3	82.3	92.1	86.8	82.8	77.1	84.3	88.0	88.3	65.3	68.3	80.0	82.9
Indiana	95.0	76.4	73.7	86.3	88.3	95.0	79.1	78.2	87.9	89.8	91.0	92.8	53.9	63.9	70.4	79.8
KS-MO ↓FCM Q2/YTD & ↓MKT/YTD	74.9	70.0	61.8	63.3	64.7	83.2	79.6	70.1	70.2	75.9	81.1	87.6	55.7	64.1	68.1	77.3
KY-WV	86.1	74.4	66.9	70.1	68.5	88.9	78.0	73.5	74.1	74.2	87.3	91.0	66.2	73.5	84.6	89.5
Michigan 1	93.0	92.2	80.6	79.7	81.3	93.2	91.9	82.5	79.1	84.2	94.8	92.7	80.7	78.9	91.3	90.5
Michigan 2	94.6	93.8	84.8	82.9	76.9	94.2	93.0	85.8	82.4	81.5	94.2	93.0	82.7	83.8	93.6	95.3
MN-ND	93.8	93.3	79.5	89.2	86.7	93.3	91.9	81.0	89.3	88.9	96.1	96.0	79.1	79.5	91.8	91.6
Ohio 1	93.6	91.5	82.0	82.3	77.8	92.7	91.6	83.5	81.3	78.8	94.0	92.8	76.0	71.6	91.4	89.7
Ohio 2	90.2	72.8	84.3	73.1	73.5	91.3	77.2	85.6	75.7	75.7	93.2	93.9	66.1	70.9	84.6	88.0
Wisconsin	91.0	86.9	76.2	81.0	86.2	91.0	87.4	77.5	80.4	85.6	93.5	92.8	66.7	69.2	91.7	91.5
Southern	90.5	87.3	78.1	86.5	84.2	91.4	88.2	80.5	86.8	83.0	91.3	92.1	72.9	74.7	86.3	87.3
AL-MS	92.1	88.0	68.6	73.4	67.4	93.1	87.2	72.4	75.5	70.2	89.6	91.6	63.1	67.0	77.2	78.4
AR-OK	92.6	87.8	75.1	78.7	75.7	93.7	87.7	77.4	77.5	78.1	89.4	91.7	76.6	78.9	87.7	89.4
Florida 1	93.2	88.7	77.1	87.3	84.2	92.6	90.7	78.0	87.3	81.1	91.5	92.0	67.8	69.8	83.6	84.1
Florida 2	95.5	94.4	89.7	92.0	90.0	95.5	94.8	90.0	92.5	89.2	95.0	95.0	81.4	82.6	93.2	93.8
Florida 3	89.2	86.6	88.6	88.2	85.8	92.0	86.6	87.4	87.9	82.8	95.0	95.1	68.0	72.8	82.5	86.3
Georgia	88.2	85.7	78.2	86.6	83.0	88.9	85.7	80.2	86.7	78.6	90.8	91.3	68.3	69.6	76.0	77.2
Louisiana ↓MKT Q2	89.3	82.6	64.2	64.3	70.6	91.3	87.9	71.7	66.7	75.8	80.4	87.3	46.2	61.5	71.5	81.2
Puerto Rico	92.9	96.5	N/A	84.7	90.6	93.0	96.4	N/A	85.5	90.2	95.0	94.3	63.6	67.1	80.6	74.1
South Carolina	91.7	84.9	72.7	85.4	82.1	92.4	85.8	75.9	85.6	79.0	95.0	94.6	80.8	82.2	91.8	92.5
Tennessee	92.1	74.4	73.8	72.8	73.0	93.0	80.3	76.5	72.9	72.2	90.1	91.2	73.6	76.8	90.5	91.7
Texas 1	83.6	83.0	79.6	87.7	91.8	86.6	86.9	82.7	89.0	92.3	87.6	88.4	70.7	72.1	85.3	86.7
Texas 2	86.7	94.1	85.6	87.7	92.8	87.0	94.1	86.7	87.5	91.9	92.7	92.0	78.4	72.8	91.7	89.3
Texas 3	92.6	82.4	85.8	85.4	89.4	93.1	84.1	86.5	84.9	87.9	93.6	94.1	81.3	83.4	89.6	91.8
Westpac ↑FCM Q2/YTD & MKT Q2/YTD	96.1	96.2	91.5	85.4	85.3	95.7	95.8	91.9	85.4	84.9	96.9	96.7	88.4	88.5	96.0	95.9
Alaska	98.3	97.7	N/A	82.8	85.5	98.7	97.4	N/A	83.8	85.3	96.0	96.4	82.4	82.5	93.3	91.9
AZ-NM	95.4	97.0	87.9	84.0	86.8	95.3	96.7	88.4	84.2	85.3	96.3	95.4	87.0	87.9	96.6	96.4
California 1 ↑MKT Q2 ↑MKT YTD	97.5	96.3	93.0	93.3	89.4	97.5	96.2	92.9	93.1	88.6	98.2	98.2	92.4	92.7	97.3	97.5
California 2	96.7	96.2	93.2	85.4	78.7	96.3	95.9	93.6	86.1	78.5	97.8	97.3	88.9	89.0	94.3	94.4
California 3 ↑FCM Q2 ↑FCM YTD	97.4	95.8	96.1	92.4	90.9	97.0	95.0	95.9	91.9	89.8	97.8	97.9	91.5	92.6	96.0	96.9
California 4	98.2	96.9	94.7	86.6	82.8	98.1	96.7	95.2	87.9	84.6	97.3	97.7	91.5	91.9	96.6	97.0
California 5	96.1	96.1	92.5	81.1	87.4	95.8	95.8	92.7	82.4	87.0	95.7	95.9	86.3	85.9	94.8	95.3
California 6	97.2	96.1	94.5	91.8	90.9	96.8	95.7	94.9	91.6	90.0	97.7	97.9	86.8	87.4	96.8	96.9
CO-WY	93.2	94.5	86.3	88.9	89.8	92.9	91.4	87.1	88.1	87.5	95.6	95.2	87.4	84.6	95.7	93.7
Hawaii	97.5	N/A	90.3	86.5	89.4	97.7	N/A	94.5	87.0	89.5	97.5	97.7	89.3	89.0	96.9	97.8
ID-MT-OR	94.5	96.4	90.4	84.9	84.3	94.5	96.6	90.3	84.4	84.5	96.6	96.3	88.3	88.6	95.4	94.8
NV-UT	95.1	95.9	89.5	79.9	89.5	94.9	95.5	89.8	79.4	88.7	96.7	96.5	90.4	89.1	97.0	96.0
Washington	94.9	93.2	90.7	85.9	85.9	94.2	93.2	90.6	85.4	84.0	97.0	96.9	88.3	89.1	96.2	96.4
Nation	93.0	89.7	80.5	86.0	85.3	93.1	90.3	82.9	86.5	84.9	93.2	93.7	77.7	79.6	93.0	89.7
Presorted First-Class: 94.00% overnight, 92.00% 2-day, and 88.00% 3-, 4-, & 5-day <<<< FY 2025 Targets >>>> Marketing Mail: Letters: 95.20%; Flats: 86.00%; CR: 94.00%																
* = ↑ Best combined PQ or YTD score ↓ Worst combined PQ or YTD score for Presorted First-Class Letter/Postcards or Overall Marketing Mail Letters/Flats/Carrier Route																
** = HIGHEST AREA CATEGORY SCORE HIGHEST DISTRICT CATEGORY SCORE ☐ = Below Service Target LOWEST AREA CATEGORY SCORE LOWEST DISTRICT CATEGORY SCORE																

Canada Mail Troubles Continue

Canada Post and its labor union continue to be at odds, raising the possibility of another strike. May 13 messages by the post and the union described their respective positions:

"After several days of discussions without meaningful progress, Canada Post has informed the Canadian Union of Postal Workers (CUPW) that a temporary pause in discussions is necessary. This pause will allow Canada Post to focus on preparing comprehensive proposals aimed at moving discussions forward constructively.

"Negotiations resumed at the end of April after breaking off in March. While CUPW requested that both parties return to the table with the assistance of a mediator, the union has either held or hardened its previous positions on key issues, leaving little room for progress.

"With collective agreements for CUPW-represented employees extended until May 22, 2025, we understand that our employees and the people we serve are counting on both parties to find a resolution and avoid further labour disruption. Canada Post has therefore advised CUPW that it will use this pause to prepare proposals designed to help advance negotiations and achieve a much-needed resolution. Any offers we bring forward will reflect the Corporation's current realities.

"We recognize the significant challenges facing the Corporation and remain committed to adapting to the evolving needs of Canadians. At the same time, we are focused on protecting and enhancing the wages and benefits that are important to our people. ..."

The union stated:

"This afternoon, Canada Post negotiators informed CUPW that they were leaving the bargaining table, calling it a 'temporary

pause,' to put together another set of offers. Canada Post would not provide a date for when the Union will receive these proposals. It could be in a few days; it could be next week. Given the seriousness of the matter, it is reprehensible to keep workers and the public on edge when we should all be focused on negotiating good collective agreements that will benefit workers and grow our public service to meet the needs of all Canadians.

"Throughout the entire bargaining process, Canada Post has refused to take responsibility for the financial situation it finds itself in. They have also ignored our offer to use existing collective agreement language to allow for weekend delivery.

"By walking away from the table now, Canada Post will only drive away more customers, at a time where it desperately needs to grow.

"CUPW came to the bargaining table prepared to negotiate. We presented meaningful proposals intended to benefit postal workers and strengthen the public post office for generations to come. The Union has been focused on protecting full-time jobs as well as helping Canada Post meet its needs to expand into weekend parcel deliveries. But many of Canada Post's demands remain more or less the same as they were prior to our strike, including numerous rollbacks. ..."

As reported by *Supply Chain Dive*,

"Weekend delivery has been a sticking point in contract discussions. Canada Post wants to create a new part-time workforce for those operations, while the union is pushing for full-time employees to handle weekend delivery. ... Ahead of the potential strike, experts have told *Supply Chain Dive* that shippers reliant on Canada Post should secure capacity at alternative carriers and communicate any delivery risks to customers. ..."

March Financials: More of Nothing Good

After enjoying the volume and revenue boosts of the long election/holiday season, March 2025 continued the post-holiday return to normalcy. Despite limited lower workhours, an adverse swing in the workers compensation liability, rising costs, and decreased revenue yielded a \$1.363 billion net loss for the month.

Volume and revenue

Compared to March 2024, market-dominant mail volume was down 3.6% while competitive product volume – more important to the 10-Year Plan – fell 3.2%. In the absence of election and holiday mail, total volume for the month was 3.6% lower than the previous March:

First-Class Mail: 3.465 bln pcs, **-3.2%**; 22.426 bln pcs, **-4.9%** YTD
Marketing Mail: 4.525 bln pcs, **-3.8%**; 29.665 bln pcs, **+1.0%** YTD
Periodicals: 0.213 bln pcs, **-4.8%**; 1.282 bln pcs, **-8.5%** YTD
Total Mkt Dom: 8.254 bln pcs, **-3.6%**; 53.824 bln pcs, **-1.8%** YTD
Total Competitive: 526.0 mln pcs, **-3.2%**; 3.389 bln pcs, **-3.4%** YTD
Total USPS: 8.803 bln pcs, **-3.6%**; 57.360 bln pcs, **-1.9%** YTD

Total revenue was 1.5% above plan and 4.0% more than March 2024, adding to positive income during the preceding months, yet still ending in a net loss of \$3.276 billion for the year to date, \$1.1 billion worse than at the end of last March – and the best months are in the rearview mirror.

Despite price increases on market-dominant mail totaling over 7.75% since March 2024, year-to-date market-dominant mail revenue was only 4.3% higher – heading into the leaner months ahead.

USPS operating revenue for the month was \$6.735 billion:

First-Class Mail: \$2.100 bln, +4.2%; \$13.658 bln, +2.7% YTD
Marketing Mail: \$1.241 bln, +3.0%; \$8.218 bln, +5.0% YTD
Periodicals: \$0.076 bln, +3.4%; \$0.456 bln, **-0.5%** YTD
Total Mkt Dominant: \$3.796 bln, +4.3%; \$24.116 bln, +2.6% YTD
Total Competitive: \$2.826 bln, +3.7%; \$17.368 bln, +1.9% YTD
Total USPS: \$6.735 bln, +4.0%; \$42.203 bln, +2.1% YTD

Expenses and workhours

Total "controllable" compensation and benefit costs in March were \$6.204 billion, 5.9% over plan and 8.1% higher than March 2024; total expenses were \$8.145 billion, 10.0% higher than plan and 10.8% higher than a year earlier.

Though lower service standards enable reduced transportation, the related costs (\$739 million for the month, \$4.227 billion for the YTD) were over both plan and February 2024. Also, workers' compensation expense worsened by \$212 million compared to last March.

Workhour usage was 1.5% over plan but 0.1% lower than March 2024, while total workhours for the year-to-date were at plan and 1.2% under SPLY YTD. The total workforce was smaller, but with **more career employees**.

Month's end complement: 634,503 employees (536,842 career, 97,661 non-career) **-1.64%** compared to March 2024 (645,075 employees: 531,322 career, 113,753 non-career), but **1.04% more career workers**.

All the numbers are on the next page.

USPS Preliminary Information (Unaudited) – March 2025 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		\$6,735	\$6,638	\$6,478	1.5%	4.0%	\$42,203	\$42,940	\$41,327	-1.7%	2.1%
Other Revenue		\$1	\$1	\$2	0.0%	-50.0%	\$40	\$3	\$6	NMF	NMF
Total Revenue		\$6,736	\$6,639	\$6,480	1.5%	4.0%	\$42,243	\$42,943	\$41,333	-0.0%	2.2%
Operating Expenses											
Personnel Compensation and Benefits		\$6,204	\$5,548	\$5,568	11.8%	11.4%	\$35,027	\$34,275	\$34,279	2.2%	2.2%
Transportation		\$739	\$690	\$683	7.1%	8.2%	\$4,227	\$4,368	\$4,669	-3.2%	-9.5%
Supplies and Services		\$302	\$328	\$292	-7.9%	3.4%	\$1,668	\$1,784	\$1,723	-6.5%	-3.2%
Other Expenses		\$854	\$790	\$762	8.1%	12.1%	\$4,597	\$4,621	\$4,420	-0.4%	4.0%
Total Operating Expenses		\$8,099	\$7,356	\$7,305	10.1%	10.9%	\$45,519	\$45,048	\$45,091	1.0%	1.0%
Net Operating Income/Loss		-\$1,363	-\$717	-\$825			-\$3,276	-\$2,105	-\$3,758		
Interest Income		\$65	\$51	\$81	28.5%	-19.8%	\$410	\$354	\$484	15.8%	-15.4%
Interest Expense		\$46	\$48	\$46	-5.0%	0.0%	\$282	\$294	\$266	-4.3%	5.9%
Net Income/Loss		-\$1,344	-\$715	-\$790			-\$3,148	-\$2,046	-\$3,540		
Mail Volume											
Total Market Dominant Products ³		8,254	7,877	8,563	4.8%	-3.6%	53,824	53,167	54,805	1.2%	-1.8%
Total Competitive Products ³		526	560	543	-6.1%	-3.1%	3,389	3,503	3,509	-3.3%	-3.4%
Total International Products		23	22	24	6.9%	-4.2%	146	149	165	-1.7%	-11.3%
Total Mail Volume		8,803	8,459	9,130	4.1%	-3.6%	57,360	56,819	58,479	1.0%	-1.9%
Total Mail Workhours		96	95	96	1.1%	0.0%	574	574	581	0.0%	-1.2%
Total Career Employees		536,842		531,322		1.0%					
Total Non-Career Employees		97,661		113,753		-14.1%					

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		3,465,339	3,579,243	-3.2%	22,425,823	23,569,723	-4.9%
Revenue		\$2,099,594	\$2,014,997	4.2%	\$13,657,942	\$13,304,501	2.7%
Periodicals							
Volume		213,032	223,752	-4.8%	1,281,545	1,400,707	-8.5%
Revenue		\$75,766	\$73,258	3.4%	\$455,596	\$458,044	-0.5%
Marketing Mail (excl. all parcels and Int'l.)							
Volume		4,524,728	4,704,862	-3.8%	29,665,353	29,363,032	1.0%
Revenue		\$1,241,014	\$1,204,740	3.0%	\$8,217,734	\$7,826,219	5.0%
Package Svcs. (ex. Inb'd. Intl Surf. PP @ UPU rates)							
Volume		30,293	34,718	-12.7%	215,655	228,822	-5.8%
Revenue		\$74,852	\$75,222	-0.5%	\$475,981	\$478,275	-0.5%
All other Market Dominant Mail							
Volume		20,680	20,514	0.8%	235,767	242,672	-2.8%
Revenue		\$305,115	\$272,639	11.9%	\$1,308,524	\$1,426,421	-8.3%
Total Market Dominant Products (ex. all Int'l.)							
Volume		8,254,072	8,563,089	-3.6%	53,824,143	54,804,956	-1.8%
Revenue		\$3,796,341	\$3,640,856	4.3%	\$24,115,777	\$23,493,460	2.6%
Shipping and Package Services							
Volume		525,988	543,296	-3.2%	3,389,250	3,508,619	-3.4%
Revenue		\$2,635,087	\$2,538,253	3.8%	\$16,618,199	\$16,282,826	2.1%
All other Competitive Products							
Volume		-	-	0.0%	-	-	0.0%
Revenue		\$190,587	\$186,346	2.3%	\$749,705	\$761,930	-1.6%
Total Competitive Products (ex. all Int'l.)							
Volume		525,988	543,296	-3.2%	3,389,250	3,508,619	-3.4%
Revenue		\$2,825,674	\$2,724,599	3.7%	\$17,367,904	\$17,044,756	1.9%
Total International ⁴							
Volume		23,035	23,645	-2.6%	146,387	165,088	-11.3%
Revenue		\$112,758	\$112,240	0.5%	\$719,286	\$788,347	-8.8%
Total							
Volume		8,803,095	9,130,030	-3.6%	57,359,780	58,478,663	-1.9%
Revenue		\$6,734,773	\$6,477,695	4.0%	\$42,202,967	\$41,326,563	2.1%

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		\$5,365	\$5,065	\$4,965	5.9%	8.1%	\$31,758	\$31,375	\$30,585	1.2%	3.8%
FERS Unfunded Liabilities Amortization ⁶		\$200	\$200	\$192	0.0%	4.2%	\$1,200	\$1,200	\$1,150	0.0%	4.3%
CSRS Unfunded Liabilities Amortization ⁶		\$283	\$283	\$267	0.0%	6.0%	\$1,700	\$1,700	\$1,600	0.0%	6.3%
Workers' Compensation ⁷		\$356	\$ --	\$144	NMF	147.2%	\$369	\$ --	\$944	NMF	-60.9%
Total Pers. Comp. & Benefits		\$6,204	\$5,548	\$5,568	11.8%	11.4%	\$35,027	\$34,275	\$34,279	2.2%	2.2%
Total Non-Personnel Expenses		\$1,895	\$1,808	\$1,737	4.8%	9.1%	\$10,492	\$10,773	\$10,812	-2.6%	-3.0%
Total Expenses (incl. interest)		\$8,145	\$7,404	\$7,351	10.0%	10.8%	\$45,800	\$45,342	\$45,357	1.0%	1.0%

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		35,039	35,253	35,632	-0.6%	-1.7%	208,655	209,551	213,202	-0.4%	-2.1%
Mail Processing		15,805	14,132	15,728	11.8%	0.5%	98,231	95,960	100,223	2.4%	-2.0%
Customer Services & Retail		11,543	11,443	11,749	0.9%	-1.8%	69,480	69,184	71,886	0.4%	-3.3%
Rural Delivery		18,904	18,969	18,646	-0.3%	1.4%	112,147	112,995	111,003	-0.8%	1.0%
Other		14,733	14,797	14,364	-0.4%	2.6%	85,508	86,513	84,489	-1.2%	1.2%
Total Workhours		96,024	94,594	96,119	1.5%	-0.1%	574,021	574,203	580,803	-0.0%	-1.2%

¹/February 2025 had the same number of delivery and retail days compared to March 2024. YTD has one fewer delivery day and 1.75 fewer retail days 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 12,646 and Revenue of \$18,436; SPLY Market Dominant Volume of 13,073 (-3.3%) and Revenue of \$20,459 (-9.9%). Also includes Current Period Competitive Volume of 10,389 and Revenue of \$94,322; SPLY Competitive Volume of 10,572 (-1.7%) and Revenue of \$91,781 (+2.8%). 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

NOTICES

May 8: Sunshine Act Meetings, 19538; Product Change [20]: Priority Mail and USPS Ground Advantage Negotiated Service Agreement [7], 19538, 19539, 19539, 19539, 19540, 19540, 19541; Priority Mail Negotiated Service Agreement [13], 19538, 19538, 19539, 19539, 19540, 19540, 19540, 19541, 19541, 19541, 19541, 19541.

May 9: Privacy Act of 1974; System of Record, 19735-19738.

May 12: International Product Change: Priority Mail Express International, Priority Mail International & First-Class Package International Service Agreement, 20197-20198.

May 14: Product Change [20]: Priority Mail Express, Priority Mail, and USPS Ground Advantage Negotiated Service Agreement [3], 20524, 20526, 20526; Priority Mail and USPS Ground Advantage Negotiated Service Agreement [10], 20524, 20525, 20525, 20525, 20526, 20527, 20527, 20527, 20527, 20527; Priority Mail Negotiated Service Agreement [5] 20525, 20525, 20525, 20526, 20526.

May 16: Change in Rates and Classifications of General Applicability for Competitive Products, 21087-21088.

PROPOSED RULES

[None].

FINAL RULES

May 16: Optional 5-Digit/3-Digit/ADC Sortation, 20799-20801.

Postal Regulatory Commission

NOTICES

May 6: New Postal Products, 19223-19234.

May 7: Complaint, 19325-19326; New Postal Products, 19326.

May 8: New Postal Products, 19537-19538.

May 9: New Postal Products, 19735.

May 12: New Postal Products, 20196-20197.

USPS Industry Alerts

May 8, 2025

Introduction of the Cremated Remains Small Box and Kits

As of March 1, 2025, the United States Postal Service requires the use of the Priority Mail Express (PME) Cremated Remains boxes for all cremated remains shipments. To accompany the original PME cremated remains box, USPS will now be introducing a new size that is a smaller version of the current box available to customers. This box allows customers to mail smaller items containing cremated remains (i.e., jewelry, glass art, keepsakes, etc.) with the same increased visibility as the larger box. The new box has inside dimensions of 9" x 7-1/4" x 5" (LxWxH). The Small Cremated Remains Box Kits will be available for order through The Postal Store on USPS.com on May 12, 2025, and offered in two varieties: Small Kit 1 (BOXCREKIT1SM): Small Cremated Remains PME box and PME tape; Small Kit 2 (BOXCREKIT2SM): Small Cremated Remains PME box, PME tape, bubble cushioning, self-sealing plastic bag, Publication 139. Customers ordering these kits on USPS.com are restricted to a maximum of 5 kits per order. Businesses who ship higher volumes of cremated remains shipments (i.e., crematoriums, funeral homes, etc.) can place orders for pallet quantities of boxes only through the packaging call center at 800-610-8734. Both cremated remains box sizes are available in pallet quantities to businesses through this order channel. For questions regarding this change, please email Expeditedpackaging@usps.gov.

May 9, 2025

Postal Service Board of Governors appoints David Steiner to be 76th Postmaster General and CEO of the United States Postal Service

The US Postal Service Board of Governors today announced that they have chosen David Steiner to be America's 76th Postmaster General and CEO. Pending the outcome of necessary background and ethics checks, Steiner will succeed former Postmaster General Louis DeJoy, who resigned in March, and current Acting Postmaster General Doug Tulino, who will return to his permanent position as Deputy Postmaster General and Chief Human Resources Officer. We anticipate Steiner will formally join the organization in July, assuming his successful completion of the ethics and security clearance vetting processes. "Dave is the right person to lead the Postal Service at this time to ensure this magnificent and historic organization thrives into the future," said Amber McReynolds, chair of the Postal Service Board of Governors. "Dave is a highly regarded leader and executive with tremendous vision, experience and skill that can be applied to the long-term mission and business needs of the Postal Service. Our Board looks forward to working with Dave as he takes on the core mandates of providing universal and excellent service for the American public and doing so in a financially sustainable manner." "It is an incredible honor to be asked to lead the world's greatest postal organization, with a history that stretches back before the founding of the United States," said Steiner. "I deeply

May 13: New Postal Products, 20331-20332.

May 14: New Postal Products, 20523-20524.

May 15: New Postal Products, 20695-20696.

May 16: Complaint, 21085-21086; New Postal Products, 21086.

PROPOSED RULES

[None].

FINAL RULES

[None].

DMM Advisory

May 9: US Postal Service Recommends New Shipping Services Prices for 2025.

Postal Bulletin (PB 22676, May 15)

- Effective **June 1**, Labeling Lists L002, L004, L005, L007, L010, L012, L015, L051, L601, L602, L605, L606, and L607 are revised to reflect changes in mail processing operations. Mailers are expected to label according to these revised lists for mailings inducted on or after the June 1, 2025, effective date through the July 31, 2025, expiration date.
- Effective **July 13**, IMM 123.11 is revised to provide clarity and consistency with customs declaration forms on international mail. IMM 123.2, 123.721, 252.3, 527, 562, and 922.32 also will be revised to remove redundant references of the form titles and UPU form numbers throughout each section. Additionally, Exhibit 123.61 will be revised to add the option of using PS Form 2976-A in place of PS Form 2976 for items listed in the exhibit. Although the Postal Service will not publish this clarification in the IMM until July 13, 2025, these revisions are effective immediately.

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.

admire the public service and business mission of this amazing institution, and I believe strongly in maintaining its role as an independent establishment of the executive branch. I look forward to engaging with its employees, who provide such an important service to all our communities. As the entity with the largest union membership in the United States, I look forward to engaging with the unions and management associations to ensure that together we create a world-class employment experience. I also look forward to working with industry associations, customers, and policymakers, as we chart a positive path forward. I am excited by the challenges ahead and by the many opportunities to shape a vibrant, durable and increasingly competitive future for the Postal Service. And, finally, but most importantly, I want to thank Doug for his excellent stewardship of the organization that he has dedicated his professional life to serve.” As the President and Chief Executive Officer of Waste Management (NYSE: WM) for 12 years, Steiner is credited with leading tremendous change in the organization, transforming operations and culture, and delivering strong financial results. In this role, he established a new strategic vision for Waste Management that created new business lines in environmental services, a new pricing model widely adopted in the industry, and a more efficient operating approach. During his tenure, Waste Management solidified its role as the leading provider of waste management and recycling services in North America. He also held prior roles within Waste Management, including Chief Financial Officer; Executive Vice President, General Counsel and Corporate Secretary; and Vice President and Deputy General Counsel. Before joining Waste Management, Steiner was a Partner at the law firm Phelps Dunbar. In addition to serving on several non-profit and educational boards, including the EJ Ourso College of Business at Louisiana State University, Steiner serves on the boards of transportation and logistics provider FedEx Corporation, construction material manufacturer Vulcan Materials, and recycling automation provider AMP. He will leave the Board at FedEx and manage the other roles and business, and financial interests as required prior to joining the Postal Service. Steiner earned a Bachelor of Science degree in accounting from Louisiana State University, and a Juris Doctor degree from the University of California, Los Angeles. As established by federal law, the selection of the Postmaster General rests solely with the Presidentially appointed and Senate confirmed Governors of the US Postal Service Board of Governors, who oversee the Postal Service as an independent establishment of the executive branch. The Board retained global leadership advisory firm Egon Zehnder to conduct the executive search for this position.

May 9, 2025

Final Reminder: Registration Deadline - Mail Growth Incentives 2025; Now Is Your Last Chance to Register for 30% Postage Credits!

May 30, 2025, is the last day to initiate registration to participate in the 2025 Mail Growth Incentives and both the mail owner and the Postal Service must agree to the baseline on or before June 30, 2025. To ensure that the registration process is completed by the deadline, and mail owners can participate and earn postage credits based on their growth over registered postal FY2024 baselines, we are recommending mail owners allocate up to 30 days to attain baseline concurrence. As a reminder – Registration for the First-Class Mail and Marketing Mail Growth Incentives is to be done in the Mailing Promotions Portal, accessed through the Business Customer Gateway; once registration is initiated, a Service Request (SR) is opened and all communications between registrant and USPS need to occur within the Service Request. This streamlines communication, allowing easy access across the organization in a centralized location. 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 matches the mail owner records, the registrant should click on the “I agree” button to complete the registration process. If the information does not match, or the mail owner would like to discuss further, they should click the “I Disagree” button in the SR. Discussions can take time to investigate and review data to reach consensus among all parties. Any registrations in discussion and not finalized by June 30 will be ineligible to participate, even if baseline discussions were initiated prior to May 30 but not agreed to by both the Postal Service and the registrant by June 30. Detailed information including Frequently Asked Questions, Terms and Conditions, and recorded presentations are available on PostalPro in First Class Mail and Marketing Incentives under “Resources” Link: [Mail Incentives | PostalPro](#).

May 9, 2025

Southern Area – Florida Division – Ybor Parcel Sorting Annex Facility Damage

The Ybor Parcel Sorting Annex located at 4720 Oak Fair Blvd, Tampa, Florida 33610 (NASS code: 336FZ) remains closed indefinitely due to facility damage. Packages have been absorbed into our network and service has resumed to normal. Customers are encouraged to visit our Service Alerts page at [Service alerts - Newsroom - About.usps.com](#) for up-to-date information on service impacts.

May 9, 2025

US Postal Service Recommends New Shipping Services Prices for 2025

The Postal Service filed notice today with the Postal Regulatory Commission (PRC) for shipping services price changes to take effect July 13. The proposed adjustments were approved by the USPS Board of Governors this week. The changes would raise domestic shipping services prices approximately 6.3% for Priority Mail service, 7.1% for USPS Ground Advantage and 7.6% for Parcel Select. Prices are not changing for Priority Mail Express service. Although mailing services price increases are based on the consumer price index, shipping services prices are primarily adjusted according to market conditions. The USPS governors believe these new rates will keep the Postal Service competitive while providing the agency with needed revenue. ... The PRC will review the changes before they are scheduled to take effect. The complete Postal Service price filing, with prices for all products, can be found on the PRC website under the Daily Listings section at [prc.gov/dockets/daily](#). The Competitive Products filing is Docket No. CP2025-7. The price tables are also available on the Postal Service’s Postal Explorer website at [pe.usps.com/PriceChange/Index](#).

May 12, 2025

Postal Service Launches Twenty-Two New Sorting and Delivery Centers in May and July

The Postal Service launched one new sorting and delivery centers (S&DCs) serving the nation on May 3, 2025, will launch nine more on May 31, 2025, and will launch twelve more on July 26, 2025. Seventeen of these new S&DCs will open without additional 5-Digit ZIP Codes being moved into them. Five S&DCs will open with additional 5-Digit ZIP Codes moving into them. There will be two existing S&DC sites adding additional 5-Digit ZIP Codes on May 31, 2025. ... The S&DCs will revitalize our network of nearly 19,000 delivery units – the last stop for mail and packages before they are delivered by our carriers. The Postal Service has targeted key markets where it is beneficial to aggregate delivery units into fewer, larger, centrally located S&DCs – leveraging both repurposed and new facilities – to simplify the entire network and create a more reliable and efficient Postal Service. The schedules for the new S&DCs launches are listed below with the ZIP Codes they will serve: [see the chart on page 7.] Commercial customers should drop their flat bundles or packages for drop shipment at the S&DC serving the respective destinating ZIP Codes. The opening of the new S&DCs will not impose Post Office closures or cause customers to experience changes to the local Post Office retail and PO Box delivery services.

May 14, 2025

Scheduled Commercial System Release - June 29, 2025

On Sunday, June 29, 2025, the United States Postal Service has scheduled software updates for the following system: PostalOne System Release 62.0.0.0*. *There will be a new Mail.dat client 62.0.0.0_PROD available after this release. Starting from the June 29, 2025, release, the new client 62.0.0.0_PROD will become mandatory, and the current Mail.dat client 61.0.0.0_PROD will no longer be supported. After implementation activities conclude, users should download Mail.dat client 62.0.0.0_PROD from the Business Customer Gateway (BCG) using the following path: Mailing Services → Electronic Data Exchange [Go to Service] → Mail.dat download (Windows 32-bit, Windows 64-bit or Solaris). Make sure to transition to the new mandatory client on June 29, 2025, to ensure continued compatibility and support. All Business Service Administrators (BSAs) should forward this Industry Alert to their impacted stakeholders. We apologize for any inconvenience. During normal business hours M-F [7am CT – 7pm CT], please direct any inquiries or concerns to the Mailing and Shipping Solutions Center (MSSC) via eMail: MSSCAdmin@usps.gov or telephone (877) 672-0007.

May 14, 2025

Informational Webinar: Introducing Priority Mail Next Day

Join the US Postal Service for a free, informational webinar unveiling a new shipping solution designed to meet regional overnight delivery needs as part of its Full Network offerings. This session will offer a clear overview of the product and what it means for your business, including: Key product features and benefits; How to best implement the product into your solutions mix; Details on end-to-end reach and availability; How Priority Mail Next Day is right for your business. Event Details: Date: Thursday, May 22, 2025; Time: 3pm ET; Location: Online via Zoom. Speakers: Bill Fraine, senior vice president of national sales, US Postal Service; Jamie Cousin, regional sales director, US Postal Service. Reserve your spot today: https://usps.zoomgov.com/webinar/register/WN_hmjQGNsCRgO9csWWVML_-w#/register. Don't miss this opportunity to learn how USPS is building on its transformation and modernization strategies to deliver fast, reliable and affordable shipping solutions for businesses of all sizes.

May 15, 2025

JULY PRICE CHANGE 2025 Commercial System Releases - June 29, 2025

On Sunday, June 29, 2025, the United States Postal Service has scheduled software updates in support of July 2025 Price Change (effective July 13, 2025). List of system changes can be found on PostalPro using link : July 2025 Price Change Release Notes | PostalPro (usps.com). REMINDER: NEW Mail.dat Client is Mandatory. PostalOne System Release 62.0.0.0 includes a new REQUIRED Mail.dat client. After implementation activities conclude, users should download Mail.dat client 62.0.0.0_PROD from the Business Customer Gateway (BCG) using the following path: Mailing Services → Electronic Data Exchange [Go to Service] → Mail.dat download (Windows 32-bit, Windows 64-bit or Solaris). The effective date for the Price Change release is July 13, 2025. We apologize for any inconvenience. All Business Service Administrators (BSAs) should alert their impacted stakeholders. During normal business hours M-F (7am CT – 7pm CT), direct any inquiries or concerns to the Mailing and Shipping Solutions Center (MSSC) via eMail MSSC@usps.gov or telephone (877) 672-0007.

May 16, 2025

USPS Ship Minor Configuration Update to Package Errors and Warnings (PEW) Text in Error Fields

On Wednesday, May 28, 2025, the United States Postal Service will implement a minor configuration update for USPS Ship. The update will modify the Package Errors and Warnings (PEW) text in error fields by removing commas to improve data processing. All Business Service Administrators (BSAs) should inform their stakeholders about these changes. For inquiries or concerns, please reach out to the Informed Visibility Solution Center during business hours, Monday through Friday, 7am CT to 5pm CT. You can contact them via email at InformedVisibility@usps.gov or by telephone at 1-800-238-3150, Opt 2.

Calendar

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

Mailers Hub webinars are at 1pm ET on Thursdays unless otherwise noted.

June 5 – Mailers Hub Webinar

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

July 12-16 – NACUMS Conference, Louisville (KY)

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 FINAL RULE – Optional 5-Digit/3-Digit/ADC Sortation

POSTAL SERVICE

39 CFR Part 111

Optional 5-Digit/3-Digit/ADC Sortation

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: The Postal Service is amending *Mailing Standards of the United States Postal Service, Domestic Mail Manual* (DMM) in sections 235 and 240 to change the standards for First Class Mail and USPS Marketing Mail flats from a “required” 5-digit/scheme, 3-digit, and ADC preparation to an “optional” preparation.

DATES: Effective Date: July 13, 2025.

FOR FURTHER INFORMATION CONTACT: Dale Kennedy at (202) 268-6592 or Doriane Harley at (202) 268-2537.

SUPPLEMENTARY INFORMATION: The Postal Service is revising the standards in DMM sections 235 and 240 to make the 5-digit/scheme, 3-digit, and ADC preparation “optional” when preparing bundles and trays of First Class Mail and USPS Marketing Mail flats. These changes will be effective on July 13, 2025.

Comments on Proposed changes and USPS responses:

The Postal Service received four formal comments on the February 5, 2025 proposed rule.

Comment: One commenter requested pricing clarification for loose flats in flat trays.

Response: The Postal Service has added those changes into the final revisions below.

Comment: One commenter suggested that revisions be made to co-traying standards for USPS Marketing Mail flats.

Response: The Postal Service has added those changes in the final revisions below.

Comment: Three commenters expressed support for changes and believe that the result will produce more full trays, fewer bundles, and cost reductions for the USPS and mailers.

The Postal Service adopts the following changes to *Mailing Standards of the United States Postal Service, Domestic Mail Manual* (DMM), incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR part 111 is amended as follows:

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 the *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)

* * * * *

200 Commercial Letters, Cards, Flats, and Parcels

* * * * *

230 Commercial Mail First-Class Mail

* * * * *

235 Mail Preparation

* * * * *

7.0 Preparation of Nonautomation Flats

* * * * *

7.4 Bundling and Labeling

* * * * *

[Revise the text of items (a) through (c) to read as follows:]

- a. 5-digit (optional); 10-piece minimum; red Label 5 or optional endorsement line (OEL).
- b. 3-digit (optional); 10-piece minimum; green Label 3 or OEL.
- c. ADC (optional); 10-piece minimum; pink Label A or OEL.

* * * * *

7.5 Traying and Labeling

* * * * *

[Revise the first paragraph of item (a) to read as follows:]

- a. 5-digit (optional); full trays (no overflow); labeling: * * *

USPS FINAL RULE – Optional 5-Digit/3-Digit/ADC Sortation

[Revise the first paragraph of item (b) to read as follows:]

b. 3-digit (optional); full trays (no overflow), except for one less-than-full tray for each origin 3-digit(s); labeling: * * *

[Revise the first paragraph of item (c) to read as follows:]

c. ADC (optional); full trays (no overflow); labeling: * * *

* * * * *

8.0 Preparation of Automation Flats

* * * * *

8.5 First-Class Mail Required Bundle-Based Preparation

8.5.1 Bundling and Labeling

Preparation sequence, bundle size (except as allowed under 203.4.12), and labeling:

* * * * *

[Revise the text of items (b) through (d) to read as follows:]

b. 5-digit (optional); 10-piece minimum; red Label 5 or optional endorsement line (OEL).

c. 3-digit (optional); 10-piece minimum; green Label 3 or OEL.

d. ADC (optional); 10-piece minimum; pink Label A or OEL.

* * * * *

8.5.2 Traying and Labeling

Preparation sequence, tray size, and labeling:

* * * * *

[Revise the first paragraph of item (a) to read as follows:]

a. 5-digit (optional); full trays (no overflow); labeling: * * *

[Revise the first paragraph of item (b) to read as follows:]

b. 3-digit (optional); full trays (no overflow); labeling: * * *

* * * * *

[Revise the first paragraph of item (d) to read as follows:]

d. ADC (optional); full trays (no overflow); labeling: * * *

* * * * *

8.6 First-Class Mail Optional Tray-Based Preparation

Tray size, preparation sequence, and Line 1 labeling:

* * * * *

[Revise the text of item (a) to read as follows:]

a. 5-digit: optional (90-piece minimum); one less-than-full or overflow tray allowed; for Line 1, use city, state, and 5-digit ZIP Code destination of pieces (for military mail see 4.0). (Preparation to qualify for 5-digit price is optional and need not be done for all 5-digit destinations.)

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

b. 3-digit: optional (90-piece minimum); one less-than-full or overflow tray allowed; for Line 1, use L002, Column A for 3-digit destinations.

* * * * *

[Revise the first sentence of item (d) to read as follows:]

d. ADC: optional (90-piece minimum); one less-than-full or overflow tray allowed; group pieces by 3-digit ZIP Code prefix; for Line 1, use L004.

* * *

* * * * *

240 Commercial Mail USPS Marketing Mail

* * * * *

243 Prices and Eligibility

* * * * *

5.0 Additional Eligibility Standards for Nonautomation USPS Marketing Mail Letters, Flats, and Presorted USPS Marketing Mail Parcels

* * * * *

5.6 Nonautomation Price Application--Flats

5.6.1 5-Digit Prices for Flats

The 5-digit price applies to flat-size pieces:

* * * * *

USPS FINAL RULE – Optional 5-Digit/3-Digit/ADC Sortation

[Add an item (d) to read as follows:]

d. Placed unbundled in a full 5-digit flat tray under 203.4.4.

* * * * *

5.6.3 3-Digit Prices for Flats

The 3-digit price applies to flat-size pieces:

* * * * *

[Revise item (c) to read as follows:]

c. Placed unbundled in a full 3-digit flat tray under 203.4.4.

* * * * *

5.6.5 ADC Prices for Flats

ADC prices apply to flat-size pieces:

* * * * *

[Add an item (d) to read as follows:]

d. Placed unbundled in a full ADC flat tray under 203.4.4.

* * * * *

7.0 Eligibility Standards for Automation USPS Marketing Mail

* * * * *

7.5 Price Application for Automation Flats

Automation prices apply to each piece properly sorted into qualifying groups:

[Revise the text of items (a) through (c) to read as follows:]

a. The 5-digit price applies to flat-size pieces in a 5-digit/scheme bundle of 10 or more pieces, as applicable. The 5-digit price also applies to unbundled flats placed in 5-digit flat trays under 203.4.4.

b. The 3-digit price applies to flat-size pieces in a 3-digit/scheme bundle of 10 or more pieces. The 3-digit price also applies to unbundled flats placed in 3-digit flat trays under 203.4.4.

c. The ADC price applies to flat-size pieces in an ADC bundle of 10 or more pieces. The ADC price also applies to unbundled flats placed in ADC flat trays under 203.4.4.

* * * * *

245 Mail Preparation

* * * * *

8.0 Preparing Nonautomation Flats

* * * * *

8.3 Bundling and Labeling

* * * * *

[Revise the introductory paragraph of item (b) to read as follows:]

b. 5-digit (optional), see definition in 1.4j: * * *

* * * * *

[Revise the text of items (d) and (e) to read as follows:]

d. 3-digit (optional), see definition in 1.4o; 10-piece minimum; green Label 3 or OEL.

e. ADC (optional); 10-piece minimum; pink Label A or OEL.

* * * * *

8.6 Traying, Sacking, and Labeling

* * * * *

[Revise the first paragraph of item (a) to read as follows:]

a. 5-digit/scheme; (optional), only for pieces meeting the automation flats criteria in 201.6.0, see definition in 1.4h; full flat tray; 125-piece, or 15-pound minimum; labeling: * * *

[Revise the first paragraph of item (b) to read as follows:]

b. 3-digit (optional); full flat tray; 125-piece, or 15-pound minimum; labeling: * * *

* * * * *

[Revise the first paragraph of item (d) to read as follows:]

d. ADC (optional); full flat tray; 125-piece, or 15-pound minimum; labeling: * * *

* * * * *

10.0 Preparing Automation Flats

* * * * *

10.4 USPS Marketing Mail Bundle and Flat-Tray Preparation

10.4.1 Bundling and Labeling

* * * * *

USPS FINAL RULE – Optional 5-Digit/3-Digit/ADC Sortation

[Revise the first paragraph of (a) to read as follows:]

- a. 5-digit scheme (optional); see definition in 1.4g: * * *

[Revise the first paragraph of (b) to read as follows:]

- b. 5-digit presort (optional); see definition in 1.4g: * * *

[Revise text of items (c) through (e) to read as follows:]

- c. 3-digit scheme (optional); see definition in 1.4p; 10-piece minimum; green Label 3 SCH or OEL.

- d. 3-digit presort (optional); see definition in 1.4n; 10-piece minimum; green Label 3 or OEL.

- e. ADC (optional); 10-piece minimum; pink Label A or OEL.

* * * * *

10.4.3 Traying, Sacking, and Labeling

* * * * *

[Revise the first paragraph of item (a) to read as follows:]

- a. 5-digit/scheme; (optional), see definition in 1.4h; full flat tray, 125-piece, or 15-pound minimum, labeling: * * *

[Revise the first paragraph of item (b) to read as follows:]

- b. 3-digit (optional); full flat tray, 125-piece or 15-pound minimum; labeling: * * *

* * * * *

[Revise the first paragraph of item (d) to read as follows:]

- d. ADC (optional); full flat tray, 125-piece, or 15-pound minimum; labeling: * * *

* * * * *

705 Advanced Preparation and Special Postage Payment Systems

* * * * *

9.0 Combining Bundles of Automation and Nonautomation Flats in Flat Trays and Sacks

* * * * *

9.3 USPS Marketing Mail

* * * * *

9.3.5 Flat Tray/Sack Preparation and Labeling

* * * * *

[Revise the first paragraph of item (a) to read as follows:]

- a. 5-digit/scheme; optional; scheme sort required only for pieces meeting the automation-compatibility criteria in 201.6.0; full tray/125-piece/15-pound minimum; labeling: * * *

[Revise the first paragraph of item (b) to read as follows:]

- b. 3-digit, optional, full tray/125-piece/15-pound minimum; labeling: * * *

[Revise the first paragraph of item (d) to read as follows:]

- d. ADC, optional, full tray/125-piece/15-pound minimum; use L004 to determine ZIP Codes served by each ADC; labeling: * * *

* * * * *

Colleen Hibbert-Kapler,

Attorney, Ethics and Legal Compliance.