

# **USPS Rate Case Effective Jan. 22, 2017**

**[www.clevelandpcc.org](http://www.clevelandpcc.org)**

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# **TODAY'S TOPICS**

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

# The 2017 Postal Rate Case

An overall increase of just under .9%

Some increases and some decreases

Product rebranding

Weight level changes



**USPS®  
Rate Increase for  
Mailings Services  
in January 2017**



# First Class Mail



- \* 0.8% overall increase
- \* First class stamp increases 2-cents to \$.49
- \* Meter single-piece rate decreases
- \* First Class presorted letter up to 3.5 oz. up from 2 oz.
- \* Consolidates 3-digit and AADC into single level
- \* “Alternate Postage” now “Share Mail”
- \* First class flats increase by almost 2%

# First Class Mail



Product	Percent Change
Single-piece Letters & Cards	2.0%
Single-piece Metered	-1.1%
Flats	1.9%
Parcels	0.6%
Presort Letters & Cards	-0.3%
First-Class Mail International* (includes letters, cards, and flats)	0.0%

# First Class Mail – Single Piece Rates

	<b>Current Price</b>	<b>New Price</b>	<b>Percent Change</b>
Stamp Price 1 Oz.	0.47	0.49	4.3%
Single Piece Additional Oz	0.21	0.21	0.0%
Meter Price 1 Oz.	0.465	0.46	-1.1%
Single-Piece Flats 1 Oz.	0.94	0.98	4.3%
Single-Piece Cards	0.34	0.34	0.0%
Retail Parcels 0-4 ozs.	2.62	2.67	1.9%

# **First Class Presort Mail – What can you do with the extra weight?**

- \* The “second ounce rides free” is now “third ounce plus rides free”
- \* Additional inserts
- \* Redesign flats back to 6” x 9” letters
- \* Redesign statements
  - \* Color & heavier substrates
  - \* Add pertinent, useful information



## First Class Mail – Presort Rates

	Current Price	New Price	Percent Change
Mixed AADC Automation Letters	0.419	0.423	1.0%
AADC Automation Letters	0.399	0.403	1.0%
5-Digit Automation Letters	0.376	0.373	-0.8%

- *Note: AADC to 5D Discount expanded from 2.3 cents to 3.0 cents*
- *Single price for First Class presorted letter up to 3.5 oz*



# Standard Class Mail

- \* 0.9% overall increase
- \* Consolidates 3-digit and AADC letter into single level
- \* Increase weight break for letters from 3.2 to 3.5 oz
- \* Most automation letter rates decrease 1%
- \* Flat rates increase 2.5%
- \* Structure of destination entry discounts changed



## Standard Class renamed “Marketing Mail”

- \* To influence marketers who are not in the mail
- \* Identifies majority of the volume already in this class of mail
- \* 18-month transition
  - \* Statements
  - \* Containers
  - \* Indicia markings



# Marketing Mail

<b>Product</b>	<b>Percent Change</b>
Letters – non-auto & auto	2.1%
Flats – non-auto & auto	2.5%
Carrier Route Letters, Flats, Parcels	-3.1%
High Density / Saturation Letters	2.3%
High Density / Saturation Flats and Parcels	-2.1%
Parcels	1.6%
EDDM-Retail	0.6%

# Marketing Mail – Auto Letters

	<b>Current Price</b>	<b>New Price</b>	<b>Percent Change</b>
Letters – Auto AADC/3-digit	0.274	0.271	-1.1%
Letters – Auto 5-digit	0.255	.0251	-1.6%
Carrier Route Letters	0.288	.290	0.7%

But it all depends on how you prepare your mail...

## Marketing Mail – Auto Letters utilizing Destination Entry

	Current Price	New Price	Percent Change
AADC/3-digit Origin	0.274	0.271	-1.1%
AADC/3-digit DNDC	0.239	0.245	2.5%
AADC/3-digit SCF	0.230	0.237	3.0%

NDC entry discount drops from .035 to .026

SCF entry discount drops from .044 to .034

# Marketing Mail - Flats

- \* Increase Marketing Mail flats piece price weight break from 3.3 oz. to 4.0 ozs
- \* FSS Marketing Mail reverts to previous structure
  - \* Prices not based on equipment used to sort – label list determine bundle and pallet makeup



# Marketing Mail – Auto Flats

	<b>Current Price</b>	<b>New Price</b>	<b>Percent Change</b>
Flats – Auto AADC	0.522	0.533	2.1%
Flats – Auto 3-digit	0.467	0.478	2.4%
Flats – Auto 5-digit	0.376	0.387	2.9%

## Marketing Mail – Auto Flats utilizing Destination Entry

	Current Price	New Price	Percent Change
AADC/5-digit Origin	0.376	0.387	2.9%
AADC/5-digit DNDC	0.343	0.347	1.2%
AADC/5-digit SCF	0.333	0.335	.6%

NDC entry discount increases from .033 to .040

SCF entry discount increases from .043 to .052



# Marketing Mail – Auto Flats impact of FSS sortation

	Current Price	New Price	Percent Change	
5-Digit DSCF in FSS	\$0.288	\$0.335	16.3%	4.2%
5-Digit DSCF not in FSS	\$0.333	\$0.335	0.6%	
C-R Basic DSCF in FSS	\$0.288	\$0.252	-12.5%	0.2%
C-R Basic DSCF not in FSS	\$0.245	\$0.252	2.9%	

# Non-Profit Mail

- \* Most letter rates decrease 1% to 7.5%
- \* Flats rates increase 3% to 4%



# Non-Profit Mail

	<b>Current Price</b>	<b>New Price</b>	<b>Percent Change</b>
Letters (5-Digit Auto entered at Origin)	0.140	0.136	-2.9%
Flats (5-Digit Auto Flat entered at Origin)	0.237	0.244	3.0%
Carrier Route (Flat entered at Origin)	0.214	0.209	-2.3%
High Density/Saturation Letters (Saturation Letter entered at Origin)	0.120	0.111	-7.5%
High Density/Saturation Flats (Saturation Flat entered at Origin)	0.131	0.136	3.8%

# Periodicals Mail



	<b>Percent Change</b>
Outside County	0.8%
Inside County	1.0%

- \* On average, large circulation publications will pay 0.5% to 3% less
- \* On average, smaller low circulation publications (less than 150,000 per issue) will see above average increases
- \* On average, large Non-profit mailers will adjustments from declines of 3.3% to an increase of 1%

# Package Services



Product	Percent Change
Media Mail/Library Mail	1.1%
Alaska Bypass	1.1%
Bound Printed Matter	
Flats	0.8%
Parcels	1.0%

# Parcels



- \* The Post Office delivers more than 50% of all residential packages
- \* Shipping Products Permits, a single no-fee permit for outbound and return parcels
- \* If Shipping Products permit not used – application & annual fees still eliminated:
  - \* Parcel Select
  - \* Media Mail
  - \* BPM parcels
  - \* Priority Mail Express
  - \* First-Class Packages
  - \* BPM Flats
  - \* Library Mail
  - \* Parcel Return Svc
  - \* Priority Mail
  - \* Merchandise Return Svc

# Parcels



Product	Percent Change
Parcel Select Non-lightweight	3.5%
Parcel Select Ground	2.7%
Parcel Select Lightweight (PSL)	8.0%
First Class Package Services (FCPS) Not over 4 oz.	0.0%
First Class Package Services Not over 8 oz. (new tier)	7.0%

# Priority Mail Commercial



Product	Percent Change
PM Express Flat Rate Envelope	2.5%
PM Express Padded FR Envelope	4.7%
PM Flat Rate Envelope	3.5%
PM Padded FR Envelope	8.7%
Small FR Box	5.7%
PMC+ Flat Rate Envelope	2.7%
PMC+ Padded Flat Rate Envelope	6.8%
PMC+ Small FR Box	5.9%



# Extra Services

Product	Percent Change
PO Boxes™	6.7%
Certified Mail®	1.5%
Return Receipt	2.9%
Registered Mail™	0.0%
Insurance	0.5%
COD	2.5%

Also eliminating the annual permit fee for QBRM and High Volume QBRM for letters and cards

# Where to get more money?? From the Post Office!

## 2017 USPS Promotions

- \* Six promotions in 2017
- \* Incentive programs to earn additional postage discounts or rebates
- \* Pre-enrollment required with samples submitted for approval





NOV – DEC 2016

JAN – FEB - MARCH

APRIL – MAY - JUNE

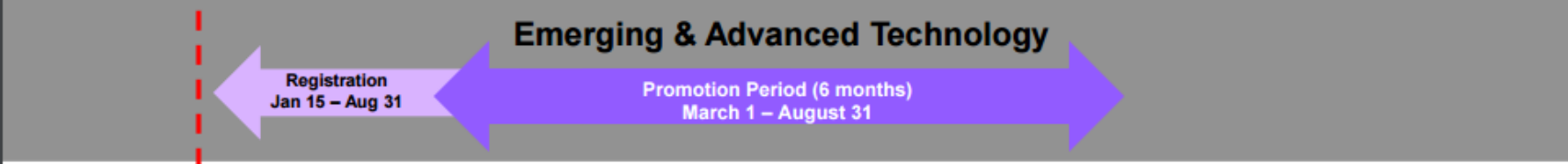
JULY – AUG - SEPT

OCT – NOV - DEC

## FIRST-CLASS MAIL



## STANDARD AND FIRST-CLASS MAIL



## STANDARD MAIL



# Earned Value Promotion

- \* Jan. 1 – June 30
- \* Mailers utilizing Reply Mail
- \* \$.05 credit per qualifying BRM/CRM returned mail pieces ~ credit applied to future mailings
- \* *Unfortunately, the registration period for this rebate promotion expired Dec. 31st*



# Tactile, Sensory & Interactive Mailpiece Engagement

- \* February 1 – July 31
- \* Incorporate a “multi-sensory experience” into mailpiece
- \* Use of specialty inks, sensory elements, textural papers, or other dimensional interactive elements
- \* Sound, scent, texture, dimension
- \* 2% of eligible postage
- \* Standard and Non-profit letters & flats



# Emerging & Advanced Technology

- \* March 1 – August 31
- \* Integrate NFC technology, Video in Print, Augmented Reality, Virtual Reality or Digital to Direct experience triggered by their mailpiece
- \* 2% of eligible postage
- \* First-Class, Standard Mail and Non-profit cards, letters and flats



# Direct Mail Starter

- \* May 1 – July 31
- \* First time Promo mailers to promote events and offers that incorporate print-mobile technology on up to 10,000 pieces
- \* Mail tracking is included
- \* 5% of eligible postage
- \* Standard and Non-profit letters and flats. ONE mailing.



# Personalized Color Transpromo

- \* July 1 – December 31
- \* Marketing messages that use **color**, dynamic variable print and personalized messaging
- \* Focus on bill & statement mailers
- \* 2% of eligible postage
- \* First-Class letters, utilizing IMB Full-Service

**Meembophone** 2204 Farm Meadow Drive  
Nashville, TN 37211  
931-249-1331

Hello Joe!  
This is your bill

BILL # 6923879  
06/12/2010

**TOTAL: \$138.00**

Joe S. Cooper  
2403, Parkway Drive  
Nogales, AZ 85621

Customer ID Number: 43546  
Issue date: 06/12/2010  
Due date: 06/27/2010

**Summary of contracted services**

- Family Pack 24hr
  - DSL 20Mb 24 hr
  - Digital TV Premium HD (120 channels)
  - Home Phone, Unlimited local, regional and long distance
- Mobile Phone Standard Plan
  - 400 min + 200 text messages

**Monthly charges**

Concept	Date	Amount
Family Pack 24hr	11/06/2010 - 12/06/2010	\$99.00
Mobile Phone Standard Plan	11/06/2010 - 12/06/2010	\$39.00

**TOTAL: \$138.00**

Please, make all checks payable to Meembophone.  
The total must be paid within 15 days. The amounts due will have a service charge of 1% per month.

**Joe,**  
get in touch with your friends and share  
your music, your favorite videos, your games...

**MeemboPlan Internet** only \$49.99

**Meembophone**

Exclusive deal at [www.meembophone.com](http://www.meembophone.com)



# Mobile Shopping Promo

- \* August 1 – December 31
- \* Highlight the connection between the mailpiece and digital shopping experience
- \* Mobile-optimized online shopping
- \* 2% of eligible postage
- \* Standard & Non-profit letters and flats



COMPLETELY PEANUTS

Whew! I'm glad  
that's over..

Questions?

