

Learn & Grow

2021 Promotions & Price Changes

*Douglas Diello
Eugene Salsberry
Tony Thompson*

November 19, 2020

Presented by:
SIERRA COASTAL PCC



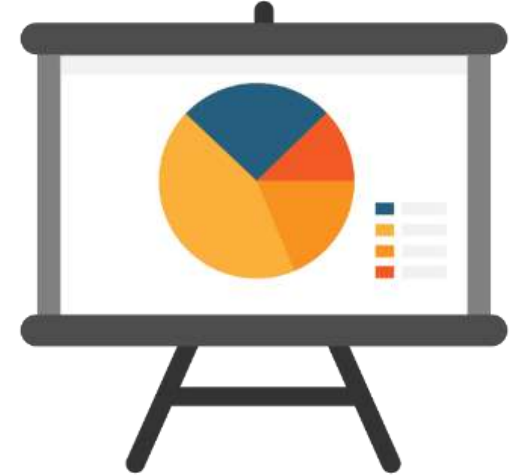
Housekeeping



Please use the Chat box for your questions. Questions will be answered in the order received.



Please ensure you are muted when you are not asking questions or participating with the presentation.



PPT presentation along with the recording will be emailed to you upon request.

Agenda

- Smart Business Moment
- 2021 Mailing Price Changes & Promotions
- 2021 Peak Pricing
- 2021 Shipping Price Changes
- Q & A
- Raffle Winner
- Upcoming PCC Events
- Closing Comments

JONATHAN CASTILLO
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ROSIE BEATTIE

Your **SMART
BUSINESS** Moment™



“Benefits of Joining Your Local PCC”

Benefits of Joining Your Local PCC

Your local PCC offers these benefits ...

- **Knowledge** – Gain knowledge about postal products, services, and tools to improve mail quality, as well as earn a professional certificate
- **Innovative Ideas** – Learn about promotions and incentives that raise awareness of innovative mail uses
- **Expert Advice** – Hear about how to integrate and expand your marketing through the mail
- **New Sources** – Find new sources for acquiring mailing lists
- **Best Practices** – Leverage best practices to improve mailing effectiveness, efficiency, and profitability
- **Networking** – Network with other mailers, business mail service providers, and USPS executives and hear first-hand from others about how they use mail to be more efficient and profitable, as well as face the same challenges you face

Benefits of Joining Your Local PCC

For more information please contact:

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Mail Price Changes January 2021

presented by
Doug Diello
Senior Sales Executive – Mailing





Douglas Diello

Senior Sales Executive - Mailing

Doug Diello, USPS Senior Sales Executive of Mailing, has been with the Postal Service for over 7 years. He came to the Postal Service with over a decade of Marketing and Sales experience. A lifelong area resident, Doug earned a Bachelor's degree from Cal State Northridge. He works directly with our area's companies and nonprofits to maximize their marketing mail efforts.



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Overview Market Dominant

- First-Class Mail
- USPS Marketing Mail
- Periodicals
- Promotions



First-Class Mail – 2021 Price Change

1.8% overall increase

- One-ounce letter price unchanged at 55 cents
- Additional-ounce price for Single-piece Letters* increases to 20 cents

Product	Percent Change
Single-Piece Letters & Cards	1.4%
Flats	1.3%
Presorted Letters & Cards	2.2%
First-Class Mail International (outbound letters, cards, and flats)	0.0%



* Additional ounce for Flats remains at 20 cents.



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First-Class Mail – 2021 Price Change

First-Class Mail Single-Piece Prices	Current Price	New Price	Percent Change
Stamp Price 1 Oz.	0.55	0.55	0.0%
Stamp Price 2 Oz.	0.70	0.75	6.7%
Meter Price 1 Oz.	0.50	0.51	2.0%
Single-Piece Additional Ounce - Flats	0.20	0.20	0.0%
Single-Piece Flats 1 Oz.	1.00	1.00	0.0%
Single-Piece Cards	0.35	0.36	2.9%
Share Mail Letters	0.60	0.51	-15%
Share Mail Cards	0.45	0.36	-20%

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First-Class Mail – 2021 Price Change

First-Class Mail Commercial Prices	Current Price	New Price	Percent Change
Mixed AADC Automation Letters	0.439	0.450	2.5%
AADC Automation Letters	0.419	0.428	2.1%
5-Digit Automation Letters	0.389	0.398	2.3%
Mixed ADC Automation Flats 2 oz.	0.736	0.794	7.9%
3-Digit Automation Flats 2 oz.	0.597	0.638	6.9%
5-Digit Automation Flats 2 oz.	0.450	0.480	6.7%

Notes:

Full Service IMb incentive remains at \$0.003.

New: Seamless Incentive at \$0.001. to eDoc submitter



Marketing Mail – 2021 Price Change

1.5% overall increase

Product	Percent Change
Letters	0.8%
High Density Letters	5.4%
Saturation Letters	0.0%
Flats	3.6%
Carrier Route Flats	3.5%
High Density Flats	3.6%
Saturation Flats	0.0%
EDDM-Retail	0.5%
Parcels	16.8%



Marketing Mail – 2021 Price Change

Marketing Mail Auto Commercial Letters	Current Price	New Price	\$ Difference	% Difference
Mixed Origin	\$0.299	\$0.304	\$0.005	1.67%
5-Digit Origin	\$0.259	\$0.259	\$0.000	0.00%
5-Digit DNDC	\$0.239	\$0.239	\$0.000	0.00%
5-Digit DSCF	\$0.233	\$0.235	\$0.002	0.86%
HD DSCF	\$0.186	\$0.196	\$0.010	5.38%
Saturation Origin	\$0.191	\$0.191	\$0.000	0.00%
Saturation DNDC	\$0.172	\$0.172	\$0.000	0.00%
Saturation DSCF	\$0.168	\$0.168	\$0.000	0.00%



Marketing Mail – 2021 Price Change

Marketing Mail Auto Commercial Flats	Current Price	New Price	\$ Difference	% Difference
5-Digit DSCF	\$0.364	\$0.372	\$0.008	2.20%
C-R Basic DSCF	\$0.265	\$0.274	\$0.009	3.40%
C-R on 5-Digit DSCF Pallets	\$0.246	\$0.253	\$0.007	2.85%
C-R on 5-Digit DDU Pallets	\$0.235	\$0.246	\$0.011	4.68%
HD DSCF (125 pieces)	\$0.205	\$0.213	\$0.008	3.90%
HD+ DSCF (300 pieces)	\$0.187	\$0.187	\$0.000	0.00%
Saturation DSCF (90%)	\$0.179	\$0.179	\$0.000	0.00%
Saturation DDU (90%)	\$0.163	\$0.163	\$0.000	0.00%
Saturation DDU with DML	\$0.213	\$0.223	\$0.010	4.69%

Detached Address Label (DAL) – price increased from \$0.045 to \$0.055

Detached Marketing Label (DML) - price increased from \$0.05 to \$0.06





Periodicals – 2021 Price Change

1.5% overall increase

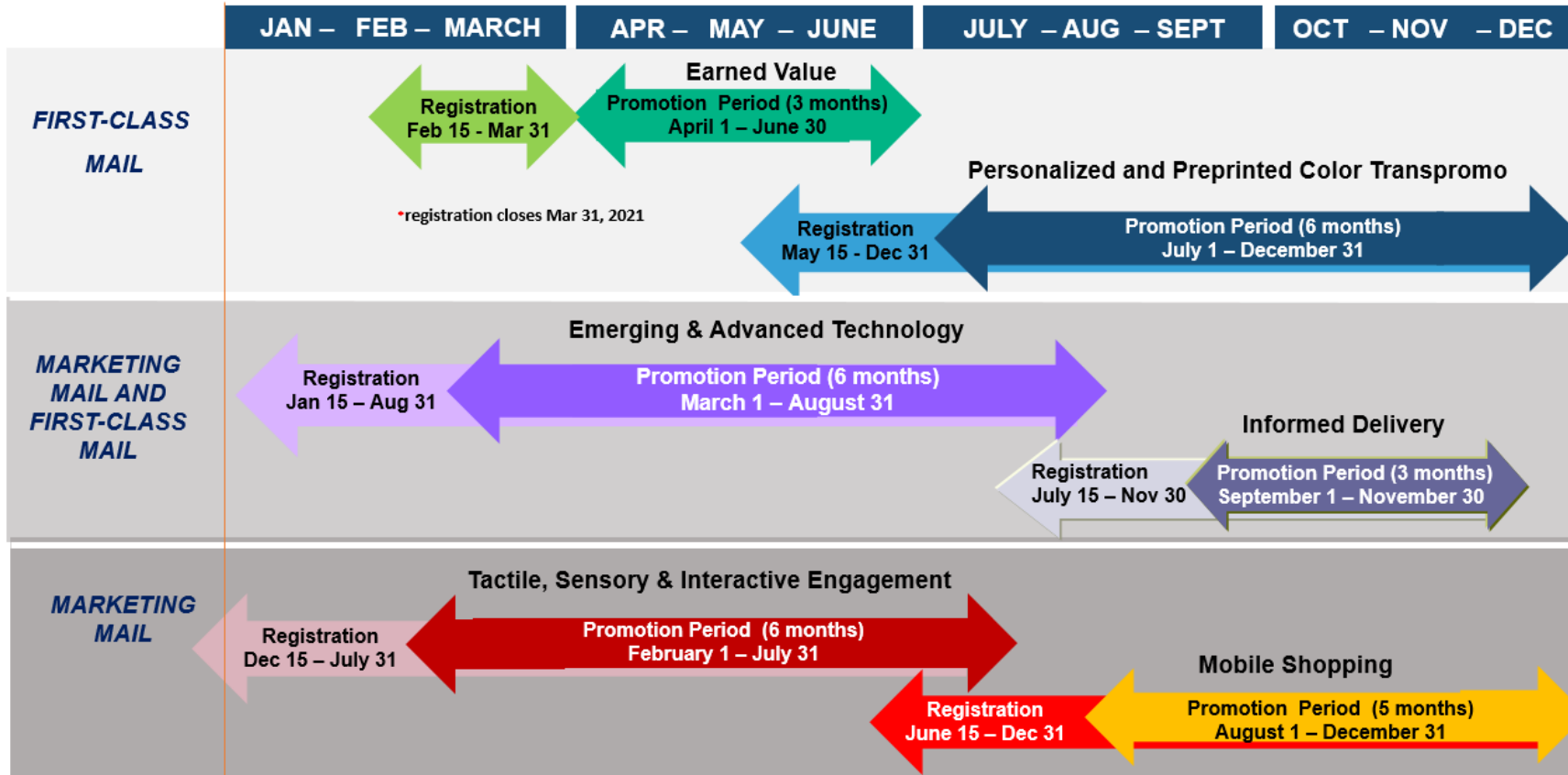
Product	Percent Change
Outside County	1.47%
Inside County	1.20%

- Introduced separate price for tubs below sack prices
- Most larger-circulation publications will pay 0.4% to 0.6% more in postage.
- Postage for larger Nonprofit publications will increase 0.8% to 1.2%.
- Smaller-circulation publications may see above-average increases due to less presorting, lighter-weight pieces, and a higher percentage of nonmachinable pieces.





PROPOSED 2021 MAILING PROMOTIONS CALENDAR





Thank you!

Doug Diello

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USPS Time Limited Increase 2020





Eugene Salsberry

Sales Executive Mailing and Shipping

Providing Postal Service Solutions that are customized to business needs to help reduce shipping costs and maintain delivery time standards. Identifies ways businesses can help retain and get new customers by using USPS marketing mail.



USPS Time Limited Increase

Why:	What:	Who:	How:	When:
USPS Time Limited Price Increase is a response to the growing demand of COVID 19.	The planned commercial price increases will affect Priority Mail Express, Priority Mail, First-Class Package Service, and Commercial Parcel Select.	<p>This Time Limited Price increase will apply to customers Commercial Base/Plus shipments, and some NSA contracts. Customers who have NSA were notified if they will receive the Time Limited Price Increase.</p> <p>Customers who ship through retail counter or by Click-N-Ship will not be impacted.</p>	Time Limited Price Increase will add \$0.24 per package to ALL – Parcel Select DDU, Parcel Return Service, and Parcel Select Lightweight. \$0.25 will be added to ALL First Class Commercial parcels. \$0.40 will be added to Priority Mail Commercial, Parcel Select Ground, Parcel Select DSCF and DNDC Entry Shipments. \$1.50 will be added for all PME parcels.	Time Limited Price Increase will take effect October 18 th at 12 a.m. Central Time and continue until December 27 th at 12 a.m. Central Time.

UPS Peak Surcharges

From November 15th to January 16 2021, surcharges on Ground, SurePost, and Domestic Air services for volumes exceeding 25,000 packages per week during the peak period will increase between **\$1** to **\$4** per package, dependent upon the shipper's parcel volume.

The surcharges apply to Ground Residential and SurePost packages, if the shipper's prior week's volume was more than 25,000 packages and at least 110% greater than the average daily volume in February 2020.

The existing large-parcel surcharge of **\$31.45** will increase to **\$50**, starting October 4th 2020 through January 16th, 2021.

Brian Newman CFO UPS

“As we're not chasing any volume or any package at any price, we think we'll be selective in terms of what goes through the network.”

FedEx Peak Surcharges

FedEx announced peak season surcharges will take effect during November 16 – 29, 2020. Customers who ship more than 35,000 packages residential and commercial combined weekly (avg) will be subject to this surcharge and will be applied on their invoice Nov. 2 – Dec. 13, and Dec. 14, 2020 – Jan. 17, 2021. These surcharges range from **\$1-\$5**.

FedEx will apply a surcharge to **ALL SmartPost** packages. This surcharge will range from **\$1-\$2**. FedEx will apply the **\$1** surcharge to packages shipped Nov. 2 – Nov. 29, 2020, and Dec. 7, 2020 – Jan. 17, 2021. The **\$2** Surcharge will apply to SmartPost packages shipped Nov. 30, 2020 – Dec. 6, 2020.

FedEx will also impose an oversized parcel surcharge of **\$52.50** per package. (defined as a large parcel with length plus girth exceeding 130 inches or a length of more than 96 inches).

FedEx will apply an additional handling surcharge of **\$4.90** to parcels that are longer than 48 inches or longer than 30 inches on its second longest side.

Glenn Gooding, President of iDrive

"I expect this peak season to be turbulent and expensive," said Gooding, adding that UPS and FedEx are risking losing any status as value-add strategic partners by leveraging volume in this way.

USPS Time Limited Period Increase VS FedEx Peak Surcharges vs UPS Peak Surcharges

		FedEx		UPS		USPS		
FedEx Description	UPS Description	2020 Peak Period	2020 Amount	2020 Peak Period	2020 Amount	USPS Product	Time Limited Period	Time Limited Increase Amount
Additional Handling	Additional Handling	Oct 5 - Jan 17	\$4.90	Oct 4 - Jan 16	\$5	Parcel Select - DDU	Oct 18 - Dec 27	\$0.24
Oversize	Large Package	Oct 5 - Jan 18	\$52.50	Oct 4 - Jan 17	\$50	Parcel Select - DSC	Oct 18 - Dec 27	\$0.40
Unauthorized Oversize	Over Maximum	Oct 5 - Jan 19	\$250	Oct 4 - Jan 18	\$250	Parcel Select - DNDC	Oct 18 - Dec 27	\$0.40
Smartpost	Surepost	Nov 2 - Nov 29 Dec 7 - Jan - 17	\$1	Nov 15 - Jan 16	\$1 - \$3	Parcel Select Ground	Oct 18 - Dec 27	\$0.40
Smartpost	Surepost	Nov 30 - Dec 6	\$2	Nov 15 - Jan 17	\$1 - \$4	Parcel Select Lightweight	Oct 18 - Dec 27	\$0.24
Ground/Home Delivery Residential	Ground Residential	Nov 2 - Jan 17	\$1 - \$4	Nov 15 - Jan 18	\$1 - \$5	Parcel Return Service	Oct 18 - Dec 27	\$0.24
Express Residential - Overnight	Express Residential - Next Day	Nov 2 - Jan 18	\$2 - \$5	Nov 15 - Jan 19	\$2 - \$4	FCPS Commercial	Oct 18 - Dec 27	\$0.25
Express Residential - 2/3 Day	Express Residential - 2/3 Day	Nov 2 - Jan 19	\$2 - \$5	Nov 15 - Jan 20	\$2 - \$4	Priority Mail Commercial	Oct 18 - Dec 27	\$0.40
						Priority Mail Express Commercial	Oct 18 - Dec 27	\$1.50

Contacts

Thank you!

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Price Change January 2021





Tony Thompson

Senior Sales Executive - Shipping

Consultant for USPS who specializes in cost reduction, transit time improvements, and creating innovating solutions for your company's logistic needs.

Competitive Product 2021 Price Change

Competitive Prices	Jan. 2021
Product	% Change
Priority Mail (overall)	
Priority Mail Commercial	4.2%
Priority Mail Retail	3.0%
Priority Mail Express (overall)	
Priority Mail Express Commercial	2.5%
Priority Mail Express Retail	1.0%
First-Class Package Service (overall)	
First-Class Package Service Commercial	6.5%
First-Class Package Service Retail	4.8%
USPS Retail Ground (overall)	3.0%

Priority Mail- Regional Box Service (Commercial)

Priority Mail - Regional Rate Boxes (2021)

Boxes	Zones							
	L, 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	7.83	8.04	8.34	9.01	10.89	11.63	12.64	23.37
B	8.23	8.64	9.56	12.36	17.50	20.10	22.90	42.98

Priority Mail - Regional Rate Boxes (Increase over 2020)

Boxes	Zones							
	L, 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
A	0.15	0.12	0.13	0.09	0.47	0.50	0.54	4.68
B	0.16	0.13	0.14	0.83	0.78	0.89	1.01	8.60

Priority Mail - Regional Box Service (All Zones) – 6.0% Increase

Priority Mail - Regional Box Service (Zones 1-8) – 3.3% Increase

Priority Mail - Cubic (Commercial)

Priority Mail - Cubic (2021)

Cubic Ft. Range Up To:	Zones							
	L, 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
0.10	7.32	7.59	7.81	8.12	8.87	9.14	9.52	16.14
0.20	8.14	8.46	8.71	9.00	9.68	9.93	10.31	17.09
0.30	8.77	8.96	9.28	9.97	11.79	12.45	13.25	24.69
0.40	8.93	9.27	9.66	10.60	13.58	14.89	17.01	30.84
0.50	9.08	9.58	10.22	11.50	16.02	18.08	20.58	38.28

Priority Mail - Cubic (Increase from 2020)

Cubic Ft. Range Up To:	Zones							
	L, 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
0.10	0.30	0.24	0.25	0.32	0.89	0.99	1.10	4.74
0.20	0.68	0.66	0.69	0.29	0.68	0.71	0.75	3.94
0.30	0.73	0.70	0.73	0.32	0.81	0.87	0.96	5.57
0.40	0.72	0.70	0.73	0.29	0.80	0.87	0.99	6.56
0.50	0.74	0.74	0.80	0.35	1.04	1.19	1.34	8.40

Priority Mail - Cubic (All Zones) – 10.2% Increase

Priority Mail - Cubic (Zones 1-8) – 7.2% Increase

Priority Mail - Flat Rate

Priority Mail - Commercial	Current	2021 Plan	Increase
Flat Rate Envelopes	7.15	7.40	0.25
Legal Flat Rate Envelope	7.45	7.70	0.25
Padded Flat Rate Envelope	7.75	8.00	0.25
Small Flat Rate Box	7.65	7.90	0.25
Medium Flat Rate Boxes	13.20	13.75	0.55
Large Flat Rate Boxes	18.30	19.30	1.00
APO/FPO/DPO Large Flat Rate Box	16.80	17.80	1.00

Priority Mail – Flat Rate (Commercial) – 4.1% Increase

Priority Mail - Retail	Current	2021 Plan	Increase
Flat Rate Envelopes	7.75	7.95	0.20
Legal Flat Rate Envelope	8.05	8.25	0.20
Padded Flat Rate Envelope	8.40	8.55	0.15
Small Flat Rate Box	8.30	8.45	0.15
Medium Flat Rate Boxes	15.05	15.50	0.45
Large Flat Rate Boxes	21.10	21.90	0.80
APO/FPO/DPO Large Flat Rate Box	19.60	20.40	0.80

Priority Mail – Flat Rate (Retail) – 2.8% Increase

Priority Mail Express - Flat Rate

Priority Mail Express - Commercial	Current	2021 Plan	Increase
Flat Rate Envelope	22.75	22.75	0.00
Legal Flat Rate Envelope	22.95	22.95	0.00
Padded Flat Rate Envelope	23.25	23.25	0.00

Priority Mail Express - Flat Rate (Commercial) – 0% Increase

Priority Mail Express - Retail	Current	2021 Plan	Increase
Flat Rate Envelope	26.35	26.35	0.00
Legal Flat Rate Envelope	26.50	26.50	0.00
Padded Flat Rate Envelope	26.95	26.95	0.00

Priority Mail Express - Flat Rate (Retail) – 0% Increase

First-Class Package Rate (Commercial)

First-Class Package Service Commercial (2021)								
Not Over (ounces)	Zones							
	1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
1	3.01	3.03	3.06	3.12	3.22	3.35	3.49	3.49
2	3.01	3.03	3.06	3.12	3.22	3.35	3.49	3.49
3	3.01	3.03	3.06	3.12	3.22	3.35	3.49	3.49
4	3.01	3.03	3.06	3.12	3.22	3.35	3.49	3.49
5	3.46	3.49	3.51	3.57	3.58	3.69	3.85	3.85
6	3.46	3.49	3.51	3.57	3.58	3.69	3.85	3.85
7	3.46	3.49	3.51	3.57	3.58	3.69	3.85	3.85
8	3.46	3.49	3.51	3.57	3.58	3.69	3.85	3.85
9	4.04	4.09	4.12	4.20	4.38	4.53	4.68	4.68
10	4.04	4.09	4.12	4.20	4.38	4.53	4.68	4.68
11	4.04	4.09	4.12	4.20	4.38	4.53	4.68	4.68
12	4.04	4.09	4.12	4.20	4.38	4.53	4.68	4.68
13	5.19	5.23	5.27	5.42	5.66	5.81	5.98	5.98
14	5.19	5.23	5.27	5.42	5.66	5.81	5.98	5.98
15	5.19	5.23	5.27	5.42	5.66	5.81	5.98	5.98
15.999	5.19	5.23	5.27	5.42	5.66	5.81	5.98	5.98

First-Class Package Rate (Commercial) – 6.5% Increase

First-Class Package Increase (Commercial)

First-Class Package Service Commercial (Increase over 2020)								
Not Over (ounces)	Zones							
	1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
1	0.27	0.27	0.28	0.28	0.29	0.30	0.31	0.31
2	0.27	0.27	0.28	0.28	0.29	0.30	0.31	0.31
3	0.27	0.27	0.28	0.28	0.29	0.30	0.31	0.31
4	0.27	0.27	0.28	0.28	0.29	0.30	0.31	0.31
5	0.25	0.26	0.26	0.26	0.19	0.17	0.18	0.18
6	0.25	0.26	0.26	0.26	0.19	0.17	0.18	0.18
7	0.25	0.26	0.26	0.26	0.19	0.17	0.18	0.18
8	0.25	0.26	0.26	0.26	0.19	0.17	0.18	0.18
9	0.11	0.12	0.12	0.12	0.20	0.21	0.22	0.22
10	0.11	0.12	0.12	0.12	0.20	0.21	0.22	0.22
11	0.11	0.12	0.12	0.12	0.20	0.21	0.22	0.22
12	0.11	0.12	0.12	0.12	0.20	0.21	0.22	0.22
13	0.15	0.15	0.15	0.15	0.26	0.27	0.28	0.28
14	0.15	0.15	0.15	0.15	0.26	0.27	0.28	0.28
15	0.15	0.15	0.15	0.15	0.26	0.27	0.28	0.28
15.999	0.15	0.15	0.15	0.15	0.26	0.27	0.28	0.28

First-Class Package Rate (Retail)

First-Class Package Service Retail (2021)								
Not Over (ounces)	Zones							
	1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
1	4.00	4.10	4.15	4.20	4.25	4.30	4.45	4.45
2	4.00	4.10	4.15	4.20	4.25	4.30	4.45	4.45
3	4.00	4.10	4.15	4.20	4.25	4.30	4.45	4.45
4	4.00	4.10	4.15	4.20	4.25	4.30	4.45	4.45
5	4.80	4.85	4.90	4.95	5.00	5.10	5.20	5.20
6	4.80	4.85	4.90	4.95	5.00	5.10	5.20	5.20
7	4.80	4.85	4.90	4.95	5.00	5.10	5.20	5.20
8	4.80	4.85	4.90	4.95	5.00	5.10	5.20	5.20
9	5.50	5.55	5.60	5.65	5.70	5.85	5.95	5.95
10	5.50	5.55	5.60	5.65	5.70	5.85	5.95	5.95
11	5.50	5.55	5.60	5.65	5.70	5.85	5.95	5.95
12	5.50	5.55	5.60	5.65	5.70	5.85	5.95	5.95
13	6.25	6.30	6.40	6.50	6.55	6.65	6.75	6.75

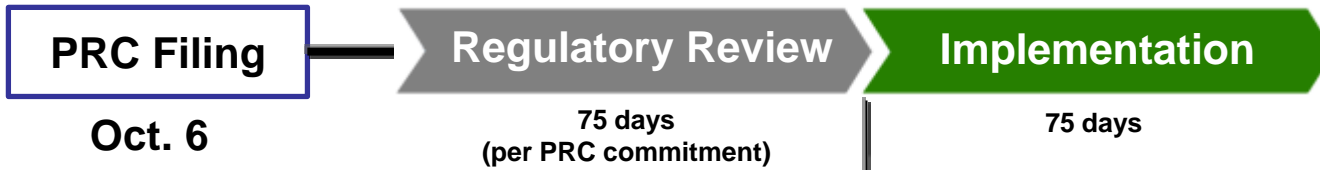
First-Class Package Rate (Retail) – 4.8% Increase

First-Class Package Increase (Retail)

First-Class Package Service Retail (Increase over 2020)								
Not Over (ounces)	Zones							
	1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9
1	0.20	0.25	0.25	0.25	0.25	0.25	0.25	0.25
2	0.20	0.25	0.25	0.25	0.25	0.25	0.25	0.25
3	0.20	0.25	0.25	0.25	0.25	0.25	0.25	0.25
4	0.20	0.25	0.25	0.25	0.25	0.25	0.25	0.25
5	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
6	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
7	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
8	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
9	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
10	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
11	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
12	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
13	0.35	0.35	0.35	0.35	0.35	0.25	0.25	0.25

Timeline

Market Dominant



Expected PRC Decision
Nov. 12 (overdue)

International Competitive



Expected PRC Decision
Nov. 8 (overdue)

Domestic Competitive



Expected PRC Decision
Dec. 16

Price Change
Jan 24, 2021

Resources

Online

Postal Explorer – pe.usps.com

- Current and new prices, in Excel and CSV formats, and draft Notice123 (Pricelist)
- Federal Register notices detailing the price and classification changes
- Domestic Mail Manual & International Mail Manual

DMM Advisory – on Postal Explorer, also special e-mail updates

★ ★ ★

Contacts

Thank you!

Tony Thompson

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Q & A

RAFFLE



WINNER

James Zender

KANDYPENS

KandyPens, Inc.
Santa Barbara, CA
855-526-3904



Upcoming PCC Events

➤ **Create a Virtual Post Office at Home**

Special Guest: Martin Juarez

November 30th, 2020

11:00 AM (PT)

➤ **Informed Visibility + Seamless Acceptance**

Special Guest: Tom Mackel

December 3rd, 2020

11:00 AM (PT)



Closing Comments

Rosie Beattie

PCC Executive Board Member