

United States Postal Service®

INDUSTRY ALERT

September 23, 2021

Despite Weather and Labor Challenges, USPS on Track for a Fourth-Quarter Improvement in Service Performance Ahead of Peak Season, New First-Class Service Standard

- *Service performance improvements since fiscal third quarter occurring across all mail categories*
- *Holiday peak season preparations include installing high-speed package processing equipment across USPS network; 65 of 112 new package sorting machines installed to date*
- *To further improve service reliability, USPS is implementing new service standards for First-Class Mail and Periodicals on Oct. 1*
- *Improved service and network performance are elements of the agency's 10-Year Delivering for America plan*

The U.S. Postal Service reported updated fiscal fourth quarter service delivery performance that showed steady improvements versus the third quarter ended June 30 for all First-Class, Marketing and Periodical mail categories, as the agency has worked to overcome challenges from recent storms and continues to recruit thousands of employees for the upcoming holiday peak season.

Quarter-to-date service performance data for July 1 through Sept. 17 included:

- **First-Class Mail:** Delivered 88.3 percent of First-Class Mail on time against the USPS service standard, an improvement of 0.8 percentage point from the third quarter.
- **Marketing Mail:** Delivered 92.5 percent of Marketing Mail on time against the USPS service standard, an improvement of 1.5 percentage points from the third quarter.
- **Periodicals:** Delivered 82.2 percent of Periodicals on time against the USPS service standard, an improvement of 3 percentage points from the third quarter.

Service performance in recent weeks has been affected in markets impacted by Hurricane Ida and ongoing employee availability challenges posed by COVID-19.

Delivering for America, the Postal Service's 10-year plan for financial sustainability and service excellence, seeks to meet or exceed its goal of 95 percent on-time service performance for all mail and shipping product delivery based on standards as all elements of the plan are implemented.

Service performance is defined by the Postal Service from the acceptance of a mail piece into our system through delivery, measured against published service standards.

The Postal Service continued preparations for the higher delivery demands of the 2021 holiday peak season this week. Ongoing efforts have included a [national drive](#) to hire delivery and plant personnel that is expected to result in an additional 40,000 seasonal hires by year-end, the leasing of 7.5 million square feet of additional space across more than 40 multiyear annexes where we are experiencing year-round space constraints due to parcel growth, and the installation of new processing equipment to accommodate higher volumes reflecting customers' delivery needs. Since April, the Postal Service has installed 65 of 112 new package sorting machines, reflecting the Delivering for America plan's \$40 billion of planned investment over ten years. Additionally, more than 50 package systems capable of sorting large packages are expected to be deployed prior to December. 4.5 million additional packages can be sorted each day utilizing newly deployed package sortation equipment.

Recent machine installations have occurred in Richmond (VA), Dallas (TX), Little Rock (AR), Pittsburgh (PA), Syracuse (NY), Ybor City (FL), Kansas City (MO), Harrisburg (PA), Little Rock (AR), Santa Barbara (CA), Jacksonville (FL), Chicago (IL), Lehigh Valley (PA), Anchorage (AK) and Cincinnati (OH).

New Service Standards for First-Class Mail and Periodicals Beginning Oct. 1

On Oct.1, the Postal Service will implement new service standards for First-Class Mail and Periodicals. These new service standards will increase delivery reliability, consistency, and efficiency for our customers and across our network.

Most First-Class Mail (61 percent) and Periodicals (93 percent) will be unaffected by the new service standard changes. Standards for single-piece First-Class Mail traveling within a local area will continue to be two days.

The Postal Service will increase time-in-transit standards by 1 or 2 days for certain mail that is traveling longer distances. By doing so, the Postal Service can entrust its ground network to deliver more First-Class Mail, which will lead to greater consistency, reliability, and efficiency that benefits its customers.

The service standard changes are part of our balanced and comprehensive Delivering for America Strategic Plan and will improve service reliability and predictability for customers and enhance the efficiency of the Postal Service network. The service standard changes that we have determined to implement are a necessary step towards achieving our goal of consistently meeting 95 percent service performance.

A fact sheet on the new First-Class Mail and Periodicals service standards is available here:

about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS-Fact-Sheet_FCM-Service-Standard-Change.pdf

##

*Please visit us on the USPS [Industry Outreach/USPS Corporate Affairs](#) website.
Thank you for your support of the United States Postal Service.
Industry Engagement & Outreach/USPS Marketing*

*To subscribe or unsubscribe to Industry Alerts, please hit reply and send us your request. Or mail your request to:
Attn: Industry Engagement & Outreach
475 L'Enfant Plaza, RM 4411
Washington DC 20260*

Privacy Notice: For information regarding our privacy policies, visit www.usps.com/privacypolicy