

United States Postal Service®

INDUSTRY ALERT

October 16, 2020

Reminder - U.S. Postal Service Implements Temporary Price Increase *Increase for Commercial Parcels; Retail Customers Unaffected*

The United States Postal Service will be implementing a temporary price change on Oct. 18, 2020.

The planned temporary price adjustments are in response to increased demand for online shopping package volume due to the coronavirus pandemic and expected holiday ecommerce. As a result of these changing market conditions, the Postal Service is implementing a time-limited price increase on all commercial domestic competitive package volume from Oct. 18 until Dec. 27, 2020. Retail prices and international products will be unaffected.

Prices will be increasing on the following commercial domestic competitive parcels – Priority Mail Express, Priority Mail, First-Class Package Service, Parcel Select, and Parcel Return Service.

This time-limited adjustment will increase prices for our commercial customers in line with the broader package delivery market, without impacting customers at the retail level.

No structural changes are planned as part of this limited time pricing initiative, allowing customers the greatest ease in implementing the new prices with minimal complexity.

The Governors believe these temporary rates will keep the Postal Service competitive while providing the agency with much needed revenue. The price changes include:

Product	Current	Planned Increase
Parcel Select Destination Delivery Unit (DDU)	Starts at \$3.19	24 cents
Parcel Return Service	Starts at \$3.05	24 cents
Parcel Select Lightweight	Starts at \$1.81	24 cents
FCPS Commercial	Starts at \$2.74	25 cents
Priority Mail Commercial	Starts at \$7.02	40 cents
Parcel Select Ground	Starts at \$6.92	40 cents
Parcel Select DSCF	Starts at \$4.37	40 cents
Parcel Select DNDC	Starts at \$5.98	40 cents
Priority Mail Express Commercial	Starts at \$22.75	\$1.50

Some rate cells in Parcel Select Ground will be charged less than \$0.40 so as not to exceed USPS Retail Ground retail prices:

- 19 lbs., zones 8/9 – the increase will be zero instead of \$0.40

- 20 lbs., zones 8/9 – the increase will be \$0.06 instead of \$0.40
- Oversized – the increase will be zero instead of \$0.40

A full list of commercial pricing can be found on the Postal Service's Postal Explorer website <https://www.usps.com/business/prices.htm>.

The Postal Service has some of the lowest mail postage rates in the industrialized world and also continues to offer a great value in shipping.

The Postal Service receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

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