

United States Postal Service®

INDUSTRYALERT

November 18, 2020

U.S. Postal Service – New Domestic Competitive Commercial Prices Explained

The United States Postal Service filed notice with the Postal Regulatory Commission (PRC) on Monday, November 16, 2020 of price changes to take effect Jan. 24, 2021.

The proposed prices, approved by the Postal Service Governors, would raise Shipping Services product commercial prices approximately 4.2 percent for Priority Mail service, and 2.5 percent for Priority Mail Express service. Shipping Services price increases vary by product. Shipping Services prices are primarily adjusted according to market conditions. The Governors believe these new commercial rates will keep the Postal Service competitive while providing the agency with needed revenue.

If favorably reviewed by the PRC, the new prices will include an increase of 6.5 percent for First-Class Package Service commercial, our other full network product. In addition, our drop shipped products would receive increases of 20 percent for Parcel Select Lightweight, 1.3 percent for Parcel Select Ground and 9.7, 10.7 and 4.9 percent for Parcel Select DNDC, DSCF and DDU respectively.

The proposed domestic Priority Mail Flat Rate Commercial Base and Plus price changes are:

Product	Current*	Planned Increase
Small Flat-Rate Box	\$7.65	\$7.90
Medium Flat-Rate Box	\$13.20	\$13.75
Large Flat-Rate Box	\$18.30	\$19.30
APO/FPO Large Flat-Rate Box	\$16.80	\$17.80
Regular Flat-Rate Envelope	\$7.15	\$7.40
Legal Flat-Rate Envelope	\$7.45	\$7.70
Padded Flat-Rate Envelope	\$7.75	\$8.00

*Current prices represent prices in effect prior to Time Limited Price Change.

The Postal Service continues to offer a great value in shipping. Unlike some other shippers, the Postal Service does not add surcharges for fuel, residential delivery or regular Saturday delivery.

The PRC will review the prices before they are scheduled to take effect. The complete Postal Service price filings with prices for all products can be found on the PRC site under the Daily Listings section at prc.gov/dockets/daily. The Shipping Services filing can be viewed in Docket No. CP2021-28. The price change tables and the Notice 123 are also available on the Postal Service's Postal Explorer website at pe.usps.com/PriceChange/Index.

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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