

United States Postal Service®

INDUSTRYALERT

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USPS Fourth-Quarter Service Performance Improvements Include Highest Performance Level in Marketing Mail Service in 5 Years

- *Marketing Mail, a product class that is often a leading indicator of mail delivery service performance, reached 93.9% for the week of August 14-20*
- *Faster package processing and deliveries occurring as 48 new package sorting machines became operational across the country; 112 total installations planned for this year*
- *Network and operational improvements also key to preparations for the 2021 holiday peak season*
- *Improving the Postal Service's delivery network is central to 'Delivering for America,' the agency's 10-year plan for financial sustainability and service excellence*

The U.S. Postal Service reported updated fiscal fourth-quarter service delivery performance that showed continued improvements versus the third quarter ended June 30 across all First-Class, Marketing and Periodical mail categories.

Quarter-to-date service performance data for July 1 through August 20 included:

- **First-Class Mail:** Delivered 88.8 percent of First-Class Mail on time against the USPS service performance standard, an improvement of 1.3 percentage points from the third quarter.
- **Marketing Mail:** Delivered 92.7 percent of Marketing Mail on time against the USPS service performance standard, an improvement of 1.7 percentage points from the third quarter.
- **Periodicals:** Delivered 82.1 percent of Periodicals on time against the USPS service standard, an improvement of 2.9 percentage points from the third quarter.

Additionally, for the week of August 14-20, the Postal Service achieved its highest level of service performance recorded for the Marketing Mail category in five years, matching a previous high (93.9%) recorded in August 2016.

Since pandemic lows, the Postal Service's demand for and delivery of Marketing Mail has experienced a recovery. In the third quarter, revenue for Marketing Mail rose approximately by \$1.0 billion, or 42.2 percent, on volume growth of approximately 4.3 billion pieces, or 38.6 percent, versus a year ago. Marketing Mail, which has historically been a resilient marketing channel, has reestablished its value with many U.S. businesses as the economy has continued to recover from last year's pandemic-triggered downturn and customers have realized benefits from investments in data and technology.

"Service performance is steadily improving – particularly for Marketing Mail, a leading indicator of our performance – and a growing number of our customers are experiencing the benefits," said CEO and Postmaster General Louis DeJoy. "Still, we continue to work tirelessly to improve and upgrade our network, invest in and hire more people, and increase the reliability of our service to the American public, as we stay focused on achieving financial sustainability and service excellence."

Also contributing to recent service delivery improvements have been a strategic shift to more ground deliveries and less reliance on the limited cargo capacities of third-party air carriers.

[*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 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 also is preparing for the higher delivery demands of the 2021 holiday peak season through increased hiring, the addition of millions of square feet of sortation facilities, and the installation of new processing equipment to accommodate higher volumes and increased customer demand for package deliveries.

Since April, the Postal Service has installed 48 of 112 new package sorting machines, reflecting \$40 billion of planned infrastructure investments over the Delivering for America plan's ten years.

This past week, machine installations occurred in Birmingham (AL) and Tucson (AZ). Other recent installations occurred in Anchorage (AK), Cincinnati (OH), Denver (CO), Eagan (MN), Huntsville (AL), Houston (TX), Memphis (TN), Mid-Carolina (NC), Philadelphia (PA), Seattle (WA), Shreveport (LA), Spokane (WA), St. Louis (MO), Teterboro (NJ), Toledo (OH), Traverse City (MI).

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