

MailPro

NEWS FOR MAILING PROFESSIONALS

UNITED STATES POSTAL SERVICE • VOLUME 3 NUMBER 1 • JANUARY/FEBRUARY 2009

A woman with long brown hair, wearing a red button-down shirt, is smiling and looking down at a stack of mail she is holding. She is standing in a post office. In the background, there is a red sign that says "The Stamp Shop" and a display of stamps. To the right, there is a black metal rack filled with mail.

**MOST
TRUSTED
GOVERNMENT
AGENCY** *Page 3*

Also in this issue: PRICING • NPF

NEW SERVICE STANDARDS RAISE THE BAR

FYI

More than 1.2 million customers visit usps.com every day to print postage-paid shipping labels, schedule a free package pickup, buy stamps and order supplies online, change their address and put mail on hold while saving time and fuel in the process.

National on-time performance scores for the delivery of First-Class Mail reached 96 percent, and 93 percent of customers surveyed gave the Postal Service high satisfaction marks, in the first quarter of FY 2009.

During the period, USPS launched expanded service performance measurement that for the first time includes delivery performance for International mail.

"The target is still the same, to measure our successes with on-time mail delivery so we meet the needs of our customers," said Vice President and Consumer Advocate Delores Killete. "We've set some

ambitious goals and we will strive to meet those goals as we continue to improve the measurement system."

The Postal Service contracts with outside entities to independently and objectively measure First-Class Mail service performance and customer satisfaction.

Here are the performance scores for the first quarter of FY 2009:

- Customer satisfaction is 93 percent.
- Overnight delivery is 96 percent.
- Two-day delivery service is 92 percent.
- Three-day delivery service is 86 percent.
- International First-Class Mail is 86 percent. ■

MAILING SERVICES PRICES TO CHANGE MONDAY, MAY 11

On Feb. 10, the Governors of the Postal Service announced new prices and product features for mailing services to be effective Monday, May 11. This also includes the full service Intelligent Mail services option for First-Class Mail, Periodicals, and Standard Mail letters and flats, and Bound Printed Matter flats, effective Nov. 29, 2009.

New mailing standards to support the price changes are being implemented as well and will be detailed in next issue of *MailPro*.

The new prices include a 2-cent increase in the price of a First-Class Mail stamp to 44 cents. The average increase by class of mail is at or below the rate of inflation as measured by the Consumer Price Index. Prices for mailing services will continue to be adjusted annually each May. For First-Class Mail, there will be no changes to the current prices for additional ounces.

Forever Stamp Will Get Your Letter Delivered

The Postal Service initially launched the Forever Stamp April 12, 2007, for consumers to ease the transition during price changes. The selling price of the Forever Stamp goes up to 44 cents on May 11. Customers can use the Forever Stamps purchased prior to May 11 to continue to mail letters after the price change. Forever Stamps are widely available through Post Offices, commercial retail outlets such as grocery stores, and online at usps.com.

The postage value of the Forever Stamp is always the First-Class Mail single-piece 1-ounce letter price in effect on the day of use. Forever Stamps purchased through May 10 will be worth 44 cents postage on May 11. Forever Stamps affixed to 1-ounce letters do not require additional postage. As always, customers will need additional postage for

letters weighing over 1 ounce, letters subject to the nonmachinable surcharge and mailpieces that are larger than letter size.

Your Complete Resource

Current prices for all domestic and international products and services are available at usps.com/prices. Once there, you'll find your complete guide to all the May 11 domestic and international mailing services pricing information. This includes complete pricing tables, downloadable pricing files, links to *Federal Register* notices and more. ■

INSIDE THIS ISSUE

- 3 PRIVACY TRUST STUDY
- 3 SHIPPING SERVICES
- 4 PARTNERSHIP LEADS TO INNOVATION
- 4 ADDRESSING REQUIREMENTS
- 5 NATIONAL POSTAL FORUM
- 8 GREENER COMPUTING

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COVER PHOTO:

Postal Service is No. 1 on Ponemon Institute's list of most trusted government agencies for fifth straight year.

POSTAL SERVICE NAMED MOST TRUSTED

The premier privacy trust study in America has named the U.S. Postal Service the “Most Trusted Government Agency” for an impressive fifth year in a row.

More than 87 percent of those surveyed by the Ponemon Institute in its *2009 Privacy Trust Study of the United States Government* ranked the Postal Service first among 74 agencies. The top ranking means Americans trust USPS as the government agency best able to keep their information safe and secure. The average score among federal agencies included in the survey is 50 percent.

In addition to ranking as the top government agency every year, USPS also has increased its privacy trust score every year.

“We have a 230-year tradition of trust. Americans depend on the security of the mail

and they trust the Postal Service to protect their privacy,” said Vice President and Consumer Advocate Delores Killete.

Killete attributed the No. 1 ranking, in part, to the trusted relationship Americans have with letter carriers who deliver mail to every home and business across the country. Many know their letter carriers by name and see them as welcome and trusted members of the local community, she said.

“The Postal Service’s mission is to keep Americans connected,” Killete said. “That includes a commitment from each and every employee to uphold the trust behind our connections to friends, families and businesses through the mail.”

The survey asked 7,000 Americans, selected at random, to rank federal agencies based on their ability to handle and protect personal information. □

FYI

The Postal Service is recognized as an environmental innovator and leader and has been honored with more than 70 major environmental awards, including 39 White House Closing the Circle Awards for environmental stewardship.

SHIPPING SERVICES PRICE CHANGE RECAP

On Jan. 18, we implemented new Shipping Services prices, including a new pricing tier for high-volume shippers.

Detailed information was provided in the November/December 2008 issue of *MailPro*. For complete domestic and international pricing information, go to usps.com/prices. Customers can view the prices of the products they use and download and print the price tables. Need all the prices in one source? Scroll down to the Price List, Notice 123, now available in PDF and HTML formats.

Commercial Plus Pricing

Priority Mail Commercial Plus pricing is available to existing Priority Mail customers who shipped more than 100,000 pieces in the previous calendar year, and to Priority Mail Open and Distribute (PMOD) customers who shipped more than 600 PMOD containers in the previous calendar year. Priority Mail postage must be paid using a USPS-approved PC Postage system or a permit imprint Manifest Mailing System (MMS). PMOD postage must be paid using a MMS.

Express Mail Commercial Plus pricing is available to existing Express Mail customers whose cumulative account volume exceeds 6,000 pieces in the previous four calendar quarters. Postage must be paid using an Express Mail Corporate Account, including Federal Agency Accounts or a USPS-approved PC Postage system.

New Priority Mail and Express Mail customers can qualify by entering into a *Customer Commitment Agreement*. Prospective customers should contact their USPS account manager or the Manager, Sales and Communication, Expedited Shipping, U.S. Postal

Service, 475 L’Enfant Plaza SW NB, Ste 4039, Washington, DC 20260-4000.

Required Customs Forms for Priority Mail Flat Rate Envelope and Priority Mail Small Flat Rate Box

The following customs forms are required whenever mailers use the Priority Mail Flat Rate Envelope or the new Priority Mail Small Flat Rate Box for international destinations. Regardless of contents:

- Items valued under \$400 – requires a completed PS Form 2976, *Customs Declaration CN 22, Sender’s Declaration* (green label), affixed to the exterior of the container.
- Items valued at \$400 or more – requires a completed PS Form 2976-A, *Customs Declaration and Dispatch Note – CP 72*, inserted inside the container with the contents. Affix the upper barcoded portion of Form 2976 to the exterior of the container.

For both containers, the maximum weight for international destinations is 4 pounds. The retail price is \$10.95 for Canada or Mexico and \$12.95 for all other countries, and both are eligible for commercial base prices.

Desktop Resources

You can always find complete domestic and international pricing information online at usps.com/prices. This website provides helpful information for mailers and is updated regularly – so add it to your list of “favorites.” The November/December 2008 issue of *MailPro* can be viewed at usps.com/mailpro. And don’t forget, up-to-date versions of the *Domestic Mail Manual* and *International Mail Manual* as well as new postage statements are available on Postal Explorer at pe.usps.com. □

PARTNERSHIP LEADS TO INNOVATIVE SOLUTIONS

FYI

Find Customer Support Rulings at <http://ribbs.usps.gov>.

When a Postal Service facility reported that some Bound Printed Matter (BPM) bundles were breaking apart – Quad/Graphics and Postal Service officials were determined to find out why it was happening and find solutions for their customers.

Joe Schick, Quad/Graphics director of postal affairs, met with USPS Mailing Standards and these discussions led to a postal review of packaging requirements, not only for BPM but for similar published materials. The result was Customer Support Ruling (CSR) PS-329, *Packaging Books, Bound Printed Matter, and Similar Printed Matter*.

Specifically, CSR PS-329 clarifies USPS rules for packaging mailpieces that contain books, BPM, heavy journals or magazines, and similar items. It describes the required packaging materials that must be used to qualify for the machinable parcel discount, and states that pieces must be able to withstand normal transit and handling without damage or breakage.

With this clarification in hand, Quad/Graphics got to work. Its research and development team partnered with vendors and USPS to come up with economical packaging options that provide business users of BPM with attractive discount opportunities and protect package integrity through the processing cycle. The result: a shrink-film wrapping option for bundles and a cardboard-based sleeve for single pieces, both of which meet Postal Service packaging requirements for BPM machinable parcels.

“Customers on both ends of the transaction benefit when we can securely process a sturdy product,” says USPS Mailing Standards Manager Sharon Daniel. “The Postal Service gains in efficiency and productivity, while mailers see cost savings and better package integrity.”

Technical Support and Product Development

Customer Support Rulings are an important part of the mail preparation process. CSR PS-329 clarifies what constitutes an acceptable mailing container for a machinable parcel.

Initially, CSR PS-329 seemed to suggest that the only packaging method suitable for machinable parcels between 5 pounds and 10 pounds was a

corrugated carton. That’s because there didn’t appear to be material strong enough to hold firm bundles together through processing.

For the past year, Quad/Graphics has worked with several of its vendors to come up with alternative packaging methods that allow customers to moderate increased mail preparation costs they might experience. Quad/Graphics also worked closely with USPS and, after months of research and testing, the company developed a new wrapping option to comply with CSR PS-329. This new method uses a shrink-wrap material stronger than that typically used for the mailing process.

Quad/Graphics worked with USPS to obtain approval of a shrink film that will allow BPM machinable parcels up to 10 pounds to be shrink-wrapped. This firm bundle wrapping process takes place on Quad/Graphics’ existing finishing lines. This packaging allows certain business-to-business clients to attain attractive multipiece bundle discounts, while following USPS guidelines without using the more expensive corrugated boxes.

Single-Copy Mailings

Quad/Graphics also set out to find a less-costly packaging option for mailers of single-copy, high-bulk and high-value perfect bound publications. Typically, these have been individually fully enclosed in a custom-corrugated carton. Quad/Graphics has developed the Quad/Sleeve™, approved by USPS.

It starts as a blank sleeve that’s scored to fold around a book from spine to face. The head and foot of the book remain “open” yet somewhat protected by the portion of the sleeve that extends past each end of the book. The Quad/Sleeve uses lighter corrugate weight and significantly less material than a traditional carton, making it economical and, because no die cutting is involved, there’s less waste, making it environmentally sound.

Shared Customers Benefit

Quad/Graphics’ new packaging options are two examples of how partnership with USPS can lead to innovative solutions for clients. Working together, shared customers benefit. ■

ADDRESSING REQUIREMENTS FOR FLAT-SIZE MAILPIECES

The Postal Service is implementing the Flats Sequencing System to fully automate the processing and delivery sequencing of flat-size mail. FSS can sort flats into delivery sequence, increasing efficiency by reducing carriers’ time manually sorting mail and allowing them to begin delivering mail earlier in the day.

Standardized addressing benefits the overall flats mailstream – from efficient processing to delivery. The new requirements, effective March 29, were outlined

in the May/June 2008 *MailPro*.

More information is at ribbs.usps.gov, *Flats Sequencing Strategy*. This includes updated Addressing Fact Sheets for each class of mail. Click *Flats Addressing Requirements* and scroll to the bottom of the page.

Mailers needing guidance on specific mailpiece designs are encouraged to work with their local mailpiece design analyst (MDA). To locate the MDA near you, go to pe.usps.com and click *Postal Locator*, then *Mailpiece Design Analyst*. □

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- *140+ In-depth workshops*
- *Peer to Peer Round Tables on important industry topics*
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NEW

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2009 National Postal Forum • May 17-20

Walter E. Washington Convention Center • Washington, DC

Register online @ www.npf.org/reg8





National Postal Forum Registration Form

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Washington, DC ■ May 17-20, 2009

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The above information may be shared with the USPS in order to keep you informed of Postal products and services.

LEVEL: Please indicate the categories that BEST represent your Job Level and Function. (CHOOSE ONLY ONE FROM EACH.)

- | | | | |
|---|---|---|--|
| <input type="checkbox"/> CEO/President | FUNCTION: | <input type="checkbox"/> Fulfillment | <input type="checkbox"/> Sales & Marketing |
| <input type="checkbox"/> Vice President | <input type="checkbox"/> Administration | <input type="checkbox"/> Human Resources | <input type="checkbox"/> Trans/Logistics |
| <input type="checkbox"/> Director | <input type="checkbox"/> Consultant | <input type="checkbox"/> Information Technology | <input type="checkbox"/> USPS |
| <input type="checkbox"/> Manager/Supervisor | <input type="checkbox"/> Database | <input type="checkbox"/> Mailing Services | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Other | <input type="checkbox"/> Financial | <input type="checkbox"/> Operations | |

SELECT ONE OF THE FOLLOWING. (Registration will be accepted ONLY if accompanied by full payment OR Government Training Forms.)

REGISTRATION OPTIONS (No Discounts On-site)

	Regular Rate Mar. 1-April 24	On-site Rate After April 24	
<input type="checkbox"/> Full Registration	\$950	\$995	\$ _____
<input type="checkbox"/> Three-Day Registration	\$850	\$900	\$ _____
<input type="checkbox"/> Sun/Mon/Tues <input type="checkbox"/> Mon/Tues/Wed			
<input type="checkbox"/> Two-Day Registration	\$800	\$850	\$ _____
<input type="checkbox"/> Sun/Mon <input type="checkbox"/> Mon/Tues <input type="checkbox"/> Tues/Wed			
<input type="checkbox"/> One-Day Registration	\$475	\$475	\$ _____
<input type="checkbox"/> Sun <input type="checkbox"/> Mon <input type="checkbox"/> Tues <input type="checkbox"/> Wed			
<input type="checkbox"/> U.S. Postal Service Employee (No other discounts apply.)	\$650	\$700	\$ _____

AFFILIATION DISCOUNTS If a member of a PCC- or a MTAC-sponsored association, please indicate PCC or MTAC affiliation: _____
 Discount: \$100 off Full Registration; \$50 off Three-Day and Two-Day Registrations. (Does not apply to One-Day and Guest Registrations.)

MULTIPLE EMPLOYEE DISCOUNTS
 All additional employees from the same company receive an additional \$25 discount. (Does not apply to One-Day and Guest Registrations.) (\$ _____)
 Please indicate names: _____

OPTIONAL FEES

Spouse/Guest (Food and social functions only) Guest name required: _____ ... \$225 \$ _____
NPF Golf Tournament Register online at www.npf.org

PAYMENT OPTIONS

Check (Make checks payable to **NPF**) **TOTAL REGISTRATION FEES DUE:** \$ _____
 VISA MasterCard American Express Discover
 Card Number: _____ Expiration Date: _____ / _____
 Cardholder Name: _____ Signature _____

HOTEL ASSIGNMENT WILL NOT BE MADE WITHOUT A PAID AND COMPLETED FORUM REGISTRATION. HOTEL ASSIGNMENT IS SUBJECT TO AVAILABILITY.

Preference (1, 2, & 3)	Single	Double
Renaissance	\$252.00	\$280.00
Grand Hyatt	\$269.00	\$294.00
Marriott at Metro Center	\$245.00	\$245.00
Hampton Inn-Conv. Center	\$249.00	\$249.00
Four Points Sheraton	\$210.00	\$210.00
Doubletree	\$239.00	\$239.00
Westin Washington	\$235.00	\$265.00
Red Roof Inn	\$189.00	209.00

Arrival Date _____ Departure Date _____

HOTEL GUARANTEE

American Express MasterCard VISA Discover Diners
 Card# _____ Expiration: _____ / _____

Special Requests (handicapped, nonsmoking, crib, king, 2 doubles, government rates, etc.)

Government rate rooms available at the Renaissance and Grand Hyatt.

POSTAL SERVICE ENDS FIRST QUARTER WITH \$384 MILLION LOSS

The Postal Service ended its first quarter with a net loss of \$384 million as the economic recession contributed to a 5.2 billion piece mail volume decline compared to the same period last year. The 9.3 percent volume drop marked the eighth consecutive quarter of accelerating volume declines. With no economic recovery expected for the remainder of FY 2009, the Postal Service projects volume for the year will be down by 12 to 15 billion pieces.

The results include operating revenue of \$19.1 billion, a decrease of \$1.3 billion, or 6.3 percent, compared to the same period last

year, and operating expenses of \$19.5 billion, a reduction of approximately \$200 million, or 1.1 percent, from the first quarter of last year. While lower energy prices in the first quarter offered some relief, there was expense pressure from record high cost-of-living adjustments that are part of the national collective bargaining agreements.

Most of the decrease in mail volume is attributable to the worsening recession, which has adversely affected all classes of domestic mail. First-Class Mail volume decreased by 1.8 billion pieces and Standard Mail volume was down 3 billion pieces in the first quarter. ■

Volume 3 Number 1

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FYI

More than 200 Postal Customer Councils across the country with about 100,000 members offer regular meetings, education programs, seminars and mailer clinics. For more information, e-mail pcc@usps.gov or go to usps.com/pcc.

INTERNATIONAL FORUM ADDRESSES ENERGY ISSUES FACING POSTAL INDUSTRY

Energy is a critical issue for postal agencies in every nation.

Senior postal officials from Belgium, Canada, Denmark, France, Germany, the Netherlands and the United States gathered in Washington, DC, to share ideas at a forum on energy.

The event was sponsored by the

International Post Corporation, a cooperative association of 24 national postal operators in Europe, North America and Asia Pacific.

"Just as we work together to deliver mail for customers around the globe, the world's postal agencies are working together on energy issues," said Sam Pulcrano, vice president of Sustainability for the Postal Service. ■

DPO JOINS APO/FPO

"DPO" is now the preferred designation for mail addressed to Department of State overseas Post Offices. Personnel at American embassies and consulates and their correspondents should begin using the new DPO – Diplomatic Post Office – designation to distinguish diplomatic overseas mail from military APO/FPO mail. DPO last line address information includes the DPO designation and the appropriate two-letter abbreviation (AA, AE or AP), followed by the

ZIP+4 or 5-digit ZIP Code.

A DPO is operated and managed by the Department of State. Also, mail addressed to DPOs (as well as military post offices) overseas is subject to certain conditions or restrictions regarding content, preparation and handling. Packages to DPO addresses require customs forms. To see a table of active destinations and mailing restrictions by individual ZIP Codes, go to pe.usps.com and click *Postal Bulletins* in the blue navigation bar. Go to the current issue and see the article "Overseas Military Mail." ■

GREENER COMPUTING

From server consolidation to ink cartridge recycling, the Postal Service is using leading-edge technologies to support energy conservation, recycling and waste reduction.

These initiatives also resulted in more than \$2.25 million in cost avoidance last fiscal year.

“Going green isn’t just good for the environment – it’s good business,” said George Wright, vice president, Information Technology Operations. “Using technology in creative ways has helped the Postal Service reduce energy consumption levels in facilities, use less paper, lower the time that computers stay turned on and reduce travel costs.”

Over the past three years, USPS Information Technology has implemented a program to reduce power consumption at data centers using a technology that allows multiple applications to run on a single server. This ongoing process, called “virtualization,” maximizes the available resources of each server and has enabled the Postal Service to eliminate more than 1,600 servers and reduce hardware maintenance costs by \$2 million. The Postal Service also has converted 40 percent of workstations to power-saving

monitors and replaced outmoded equipment with energy-efficient units, earning rebates of more than \$250,000 from power companies.

In addition to energy reduction, USPS is using fewer printers and less paper. Printer paper used is at least 30 percent recyclable and the Postal Service has established a recycling program for ink and toner cartridges. Organization-wide, recycled wastepaper, cardboard, cans, plastics and other materials generated \$12 million, an increase of more than 40 percent from the previous year.

“Our mission is to deliver now – and for future generations,” said Ross Philo, chief information officer and executive vice president. “By embracing the latest technologies, we can find new and better ways to do business and leave a greener footprint across America.” □

