

GPPCC

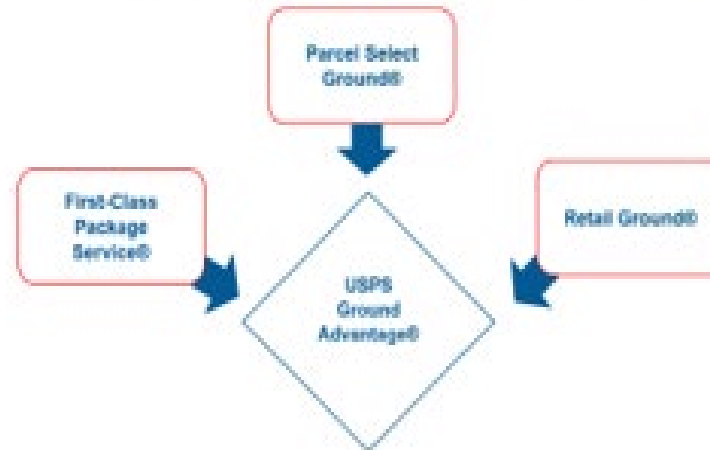
Ground Advantage

4.13.2023 Meeting

## USPS (

- Combining existing product features of Parcel Select Ground, Retail Ground, and First-Class Package Service into one streamlined ground product offering.
- USPS Ground Advantage will feature two-to-five-day service delivery for packages up to 70 pounds.
- While this product will be domestic-only at launch, it provides opportunities for our global shipping communities to leverage the strength of our network when entering packages into the U.S. for final delivery.

## USPS Ground Advantage™



## USPS Ground Advantage

- As part of its overall strategy to enhance its shipping offerings, the Postal Service has filed with the Postal Regulatory Commission (“PRC” or “Commission”) notifying the Commission of the Postal Service’s intention to replace its existing First-Class Package Service product with USPS Ground Advantage.
- The filing streamlines and simplifies package shipping options for customers and enhances the Postal Service’s ground product offering with the anticipated summer 2023 launch of its improved ground product — USPS Ground Advantage.
- This is the third phase of an initiative designed to simplify the Postal Service’s ground product offering from three products – USPS Retail Ground, Parcel Select Ground, and First-Class Package Service, into a single affordable and reliable ground product
- The changes are in keeping with the *Delivering for America* 10-year plan to achieve financial stability and service excellence, defined as meeting or exceeding 95 percent on-time delivery across all product categories.

**1. What is the Postal Service doing today?**

Today the Postal Service filed with the Postal Regulatory Commission (“PRC” or “Commission”) notifying the Commission of the Postal Service’s intent to replace its existing First-Class Package Service product with USPS Ground Advantage.

**2. Does the PRC need to approve today’s filing?**

Although the large-scale structural changes to First-Class Package Service have previously been approved there are other minor changes that need to be reviewed by the Commission.

**3. When would these changes go into effect?**

The planned changes are scheduled to take effect on July 9, 2023.

**4. What else has the Postal Service done to enhance its ground products offerings?**

The Postal Service is enhancing its ground product offerings by upgrading service standard to 2-5 days, improving service reliability, simplifying shipping product offerings, and providing affordable pricing.

In January 2022, USPS reduced shipping prices for Retail Ground and Parcel Select Ground. The prices for these products did not increase in January 2023. The January 2022 prices remain in effect today.

Second, in August 2022, USPS Retail Ground and Parcel Select Ground accelerated from two-to-eight days to two-to-five-days for the contiguous US. Operational and transportation efficiencies were gained by leveraging the First-Class Package Service network for Parcel Select Ground and USPS Retail Ground.

**5. What is USPS Ground Advantage?**

USPS Ground Advantage is the Postal Service's enhanced ground solution. It is simple, reliable and affordable ground solution for packages from 1 oz to 70 pounds. The product is planned to be launched in July 2023.

**6. Why is the Postal Service launching Ground Advantage?**

USPS is focused on strengthening its shipping solutions as part of the Postal Service's 10-year strategic plan for service excellence, on-time delivery, and revenue generation from enhanced package delivery services. The plan seeks to balance the Postal Services' shipping products portfolio by streamlining its product suite to meet the demands of the modern consumers and businesses it serves. This will be achieved by the Postal Service modernizing its network, improving mailing and shipping options for customers, and expanding reach to offer cost-efficient and reliable products and services.

**7. Will the service standards be improved from previous service standards implemented in August 2022?**

The service standard for USPS Ground Advantage will be the same as the existing service standard for First-Class Package Services

**8. How will HAZMAT and live animal contents alter delivery of USPS Ground Advantage packages?**

Certain types of hazardous materials and live animals are restricted from air transportation, and as such, will travel via vessel transportation to offshore destinations. In many cases, packages containing hazardous materials or live animals may experience longer delivery windows.

**9. What can customers expect with this new product?**

USPS Ground Advantage provides an affordable and reliable two-to five-day shipping solution to meet customer needs; it is an enhanced shipping experience opportunity for customers and businesses to better meet their needs and maximize value.