## Price Adjustments January 2023

## Samie Rehman Dir, Mail \& Services Pricing

January 2023

## CPI and Price Cap Space Available for January 2023 Price Adjustments



Resources

## Resources

Online
Postal Explorer- pe.usps.com

- Current and new prices, in Excel and CSV formats, and draft Notice 123 (Pricelist)
- Federal Register notices detailing the price and classification changes
- Domestic Mail Manual \& International Mail Manual

DMM ${ }^{\circledR}$ Advisory - on Postal Explorer, also special e-mail updates

## Promotions, Incentives, and Permit Fees

Proposed 2023 Promotions Calendar
Marketing Mail and First－Class ${ }^{\oplus}$ Mail Products $\square$ First－Class ${ }^{\oplus}$ Mail Service $\square$ Registration Period $\quad$ Promotion Period

| PROMOTIONS | DEC | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEPT | OCT | NOV | DEC |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| TACTILE，SENSORY |  | CC 15 | ${ }^{\text {咸 FEB } 1}$ |  |  |  |  | JUL 3 |  |  |  |  |  |
| PERSONALIZED COLOR TRANSPROMO |  |  | 岛 FEB 1 |  |  |  |  | JUL 3 |  |  |  |  |  |
| EMERGING <br> TECHNOLOGY（now |  |  |  |  |  | ${ }_{\text {¢ }}$ |  |  |  |  |  | NOV 30 |  |
| REPLY MAIL IMBA |  |  |  |  |  |  |  | JUL |  |  |  |  | DEC 31 |
| INFORMED DELIVERY |  |  |  |  |  |  |  |  | ㄷ．AUG |  |  |  | DEC 31 |

$\mid$ OUL 15 耳 SEPT $1 \quad$ NOV 30

## Full-Service and Seamless Incentives and Permit Fees

|  | Current <br> Incentive/Fee | Proposed <br> Incentive/Fee | Percent Change |
| :--- | :---: | :---: | :---: |
| Full Service IMb |  |  |  |
| First-Class Mail | $\$ 0.003$ | $\$ 0.003$ | $0.0 \%$ |
| Marketing Mail | $\$ 0.003$ | $\$ 0.003$ | $0.0 \%$ |
| Periodicals | $\$ 0.001$ | $\$ 0.001$ | $0.0 \%$ |
| Package Services | $\$ 0.001$ | $\$ 0.001$ | $0.0 \%$ |
| Seamless Incentive | $\$ 0.001$ | $\$ 0.001$ | $0.0 \%$ |
| Permit Fee | $\$ 275.00$ | $\$ 290.00$ | $5.5 \%$ |
| Periodicals Application | $\$ 855.00$ | $\$ 890.00$ | $4.1 \%$ |
| Original Entry Fee |  |  |  |

## Proposed Price Change

## First-Class Mail

First-Class Mail

| Product | Current <br> Price | Proposed <br> Price | Percent <br> Change |
| :--- | :---: | :---: | :---: |
| Rate Authority |  |  | $4.2 \%$ |
| Stamp Price | $60 ¢$ | $63 ¢$ | $5.0 \%$ |
| Meter Price | $57 ¢$ | $60 ¢$ | $5.3 \%$ |
| Single-Piece Cards | $44 ¢$ | $48 ¢$ | $9.1 \%$ |
| Single-Piece Flats - 1 ounce | $\$ 1.20$ | $\$ 1.26$ | $5.0 \%$ |
| Additional ounce rate Letters \& Flats | $24 ¢$ | $24 ¢$ | $0.0 \%$ |
| Nonmachinable surcharge - letters | $39 ¢$ | $40 ¢$ | $2.6 \%$ |
| Presorted Letters (Auto \& Nonauto) | $46 \Phi^{*}$ | $48 \Phi^{*}$ | $3.4 \%$ |
| Presorted Cards (Auto \& Nonauto) | $34 \Phi^{*}$ | $36 \Phi^{*}$ | $6.5 \%$ |
| Presorted Flats (Auto \& Nonauto) | $\$ 1.19^{*}$ | $\$ 1.32^{*}$ | $11.2 \%$ |
| First-Class Mail International Outbound** | $\$ 1.40$ | $\$ 1.45$ | $3.6 \%$ |


*Average revenue per piece
** One ounce price
Inbound prices set by UPU, expected increase 6.1\%.

## Proposed Nonautomation letters Rates

| Product | Price <br> Current | Price Proposed | Percent <br> Change <br> In Rates |
| :---: | :---: | :---: | :---: |
| Automation Mixed AADC | [ \$0.515 | [\$0.531 | 3.1\% |
| Automation AADC | \$0.011 \$0.491 | \$0.015 \$ \$0.507 | 3.3\% |
| Nonauto Mach Mixed AADC | \$0.526 $]^{\$ 0.002}$ | [\$0.546 $]^{\$ 0.006}$ | 3.8\% |
| Nonauto Mach AADC | \$0.493 | \$0.513 | 4.1\% |
| Nonauto Nonmach Mixed ADC | \$0.794 | \$0.825 | 3.9\% |
| Nonauto Nonmach 3-Digit | \$0.671 | \$0.702 | 4.6\% |
| Nonauto Nonmach 5-Digit | \$0.562 | \$0.593 | 5.5\% |
| QBRM up to 3.5 ounces | \$0.578 | \$0.608 | 5.2\% |

Widened incentive for Automation $\$ 4$ more per 1000 for Mixed AADC
Automation
$\$ 4$ more per 1000 for AADC Automation

## First-Class Mail

|  | Current Price | Proposed Price | \$ Difference | \% Difference |
| :---: | :---: | :---: | :---: | :---: |
| 1 oz . SP Letters | \$0.60 | \$0.63 | \$0.03 | 5.0\% |
| 1 oz. SP Metered | \$0.57 | \$0.60 | \$0.03 | 5.3\% |
| SP Cards $\$ 0$ | \$0.44 \$0, | 1069-\$0.48 | \$0.04 | 9.1\% |
| 1 oz. Auto Mixed AADC Letters | \$0.515 | \$0.531 | \$0.016 | 3.1\% |
| 1 oz . Auto AADC Letters \$0 | \$0.491 \$0 | $0_{036}$ \$0.507 | \$0.016 | 3.3\% |
| 1 oz. Auto 5-Digit Letters | \$0.455 | \$0.471 | \$0.016 | 3.5\% |
| 1 oz. SP Flats | \$1.20 | \$1.26 | \$0.06 | 5.0\% |
| Additional Ounce | \$0.24 | \$0.24 | \$0.00 | 0.0\% |
| Shared Mail Letters | \$0.63 | \$0.66 | \$0.03 | 4.8\% |

Widened incentive to presort
\$14 more per 1000 to sort to MAADC

Maintained the Gap between AADC and 5-Digit sortation

## Proposed Price Change

## Marketing Mail

## Structural Change: Proposed New Discount - Encourage SCF Pallet Preparation - Positive Operational Impact

- Efficient flow of SCF pallets through the network.
- SCF palletization reduces mail processing costs and improves service times by eliminating bundle or tray handlings and sortation in facilities upstream from the destination SCF or DSCF.
- Discounts are based on the costs that are avoided by grouping pieces on SCF pallets.
- Similar discounts are offered for Carrier Route, High Density, High Density Plus, and Saturation Flats on Delivery Sort Containers.


## Marketing Mail

| Product | Current Price | Proposed Price | Percent Change |
| :--- | :---: | :---: | :---: |
| Available CAP |  |  | $4.2 \%$ |
| Letters | $\$ 0.245^{*}$ | $\$ 0.253^{*}$ | $3.3 \%$ |
| High Density Letters | $\$ 0.238^{*}$ | $\$ 0.258^{*}$ | $8.2 \%$ |
| High Density Plus Letters | $\$ 0.193^{*}$ | $\$ 0.208^{*}$ | $7.8 \%$ |
| Saturation Letters | $\$ 0.173^{*}$ | $\$ 0.177^{*}$ | $2.3 \%$ |
| Flats | $\$ 0.511^{*}$ | $\$ 0.543^{*}$ | $6.3 \%$ |
| Carrier Route | $\$ 0.327^{*}$ | $\$ 0.347^{*}$ | $6.2 \%$ |
| High Density Flats | $\$ 0.265^{*}$ | $\$ 0.300^{*}$ | $12.9 \%$ |
| High Density Plus Flats | $\$ 0.204^{*}$ | $\$ 0.217^{*}$ | $6.3 \%$ |
| Saturation \& EDDM Flats | $\$ 0.182^{*}$ | $\$ 0.186^{*}$ | $2.5 \%$ |
| EDDM-Retail | $\$ 0.187$ | $\$ 0.189$ | $1.1 \%$ |
| DAL | $\$ 0.065$ | $\$ 0.070$ | $7.7 \%$ |
| DML | $\$ 0.080$ | $\$ 0.090$ | $12.5 \%$ |
| Parcels | $\$ 1.952^{*}$ | $\$ 2.352^{*}$ | $20.5 \%$ |

[^0]Marketing Mail Automation Commercial Letters Prices
Letters Product get below average price increase

| Marketing Mail <br> Auto Letters |  | Current <br> Price | Proposed <br> Price | \$ Difference |
| :--- | :--- | :---: | :---: | :---: | :---: | \% Difference

The Gap between 5-Digit and HD is narrowed to reduced pricing incentive reflecting corresponding cost savings

Marketing Mail Piece-Rate Commercial Flats Prices

| Marketing Mail Auto Flats | Current Price | New Price | \$ Difference | \% Difference |
| :---: | :---: | :---: | :---: | :---: |
| 5-Digit Origin | \$0.530 | \$0.572 | \$0.042 | 7.9\% |
| 5-Digit DSCF | \$0.439 | \$0.483 | \$0.044 | 10.0\% |
| C-R Basic DSCF | \$0.323 | \$0.352 | \$0.029 | 9.0\% |
| C-R DSCF on Delivery Sort Container | \$0.301 | \$0.330 | \$0.029 | 9.6\% |
| HD DSCF (125 pieces) | \$0.259 ${ }^{\text {\$0.0 }}$ | 2 \$0.298 \$0. | $15 \quad \$ 0.039$ | 15.1\% |
| HD DSCF on Delivery Sort Container | \$0.247 | \$0.283 | \$0.036 | 14.6\% |
| HD+ DSCF (300 pieces) | \$0.214 ${ }^{\$ 0.0}$ | 10 \$0.230 ${ }^{\$ 0.0}$ | 12 \$0.016 | 7.5\% |
| HD+ DSCF on Delivery Sort Container | \$0.204 | \$0.218 | \$0.014 | 6.9\% |
| Saturation DSCF (90\%) | \$0.200 ${ }^{\text {\$0.0 }}$ | \$0.207 ${ }^{\text {\$0.0 }}$ | 09 \$0.007 | 3.5\% |
| Saturation DSCF on Delivery Sort Container | \$0.193 ${ }_{\text {\$0.00 }}$ | ${ }^{\$ 0.198}{ }_{\text {\$0.d }}$ | ${ }_{09} \$ 0.005$ | 2.6\% |
| Saturation DDU (90\%) | \$0.181 | \$0.187 | \$0.006 | 3.3\% |
| Saturation DDU on Delivery Sort Container | \$0.174 | \$0.178 | \$0.004 | 2.3\% |

Widened incentive to presort and use Delivery Sort containers
$\$ 15$ more per 1000 to sort to CR
$\$ 3$ more per 1000 for HD flats on Delivery Sort container
$\$ 2$ more per 1000 to put HD+ flats on Delivery Sort container
$\$ 2$ more per 1000 to put Saturation flats on Delivery Sort container

## Proposed New Discount - SCF Pallet Discount

| Product | Presort Level | Per-Piece Discount |
| :--- | :---: | :---: |
| Flats | 3-Digit \& 5-Digit | $1.4 ¢$ |
| Carrier Route | Basic CR Flats | 1.16 |
| High Density and Saturation Flats / Parcels | High Density Flats | $0.8 ¢$ |
| High Density and Saturation Flats / Parcels | High Density Plus Flats | $0.7 ¢$ |
| High Density and Saturation Flats / Parcels | Saturation (including EDDM) Flats | $0.2 ¢$ |

## Proposed Price Change

## Periodicals

## Periodicals Mail - Outside County (across the nation)

| Product | Proposed Price Change <br> Percentage |
| :--- | :---: |
| Rate Authority | $4.2 \%$ |
| Pounds | $2.2 \%$ |
| Pieces | $4.6 \%$ |
| Bundles | $6.7 \%$ |
| Sacks | $-82.2 \%$ |
| Trays | $3.9 \%$ |
| Pallets | $4.2 \%$ |

Encourage dropshipping - Origin entry editorial pounds price increasing by $17.8 \%$ while the overall pound price increase by $2.2 \%$.

Increased price of origin entry pallets Origin Entered Mixed ADC pallets price increased to $34 \%$.

Sacks containing flats will only be accepted at DSCF and DDU. Sacks containing parcels will accept at all entry level. Bundles in sacks at other than DSCF and DDU will be required to be placed in a Postal Service provided container and will not be charged a container price.

The prices of bundles in sacks at other than DSCF and DDU will be charged as if these are in Origin Mixed ADC container.

## Proposed Price Change

## Package Service

## Package Services Mail

| Product | Current Price | Proposed Price | Percent Change |
| :--- | :---: | :---: | :---: |
| Available CAP |  |  | $4.2 \%$ |
| Alaska Bypass Service | $\$ 30.00^{*}$ | $\$ 31.26^{*}$ | $4.2 \%$ |
| BPM Flats | $\$ 0.88^{*}$ | $\$ 0.91^{*}$ | $2.5 \%$ |
| BPM Parcels | $\$ 1.33^{*}$ | $\$ 1.39^{*}$ | $4.6 \%$ |
| Total Media / Library Mail | $\$ 4.49^{*}$ | $\$ 4.69^{*}$ | $4.4 \%$ |

* Average revenue per piece

BPM Parcels, Media/Library Mail receive higher than average price increase as they are non-compensatory
Changed structure for dropshipping incentives.
The proposed BPM Presort Flats prices set the per pound prices equal for all entry levels but provide incentives per pieces for deeper entry into the Postal network.

## Proposed Price Change

## Special Services

## Ancillary \& Special Services

| Special Services | Proposed Percent <br> Price Change |
| :--- | :---: |
| Available CAP | $4.2 \%$ |
| Certified | $3.8 \%$ |
| Post Office Boxes | $4.5 \%$ |
| Return Receipts | $3.7 \%$ |
| Money Orders | $6.7 \%$ |
| Insurance | $4.6 \%$ |
| Registry | $4.6 \%$ |
| Other | Varies |




[^0]:    * Average revenue per piece

