

MailPro

NEWS FOR MAILING PROFESSIONALS

FOCUSED on the Future

*Embracing Technology
and Providing Options*

PAGE 3



Also in this issue:

- NPF Highlights
- Summer Sale
- Pricing

U.S. POSTAL SERVICE
MAY/JUNE 2009

USPS processes 46 million address changes every year.

POSTAL SERVICE ENDS SECOND QUARTER WITH \$1.9 BILLION LOSS

The Postal Service ended its second quarter — Jan. 1 through March 31 — with a net loss of \$1.9 billion, as the economic recession and longer-term financial pressures, such as the diversion of letter mail to electronic alternatives, continued to reduce mail volume and revenue. Despite aggressive actions to reduce costs and grow revenue, the Postal Service will likely face a cash shortfall of more than \$1.5 billion at the end of the fiscal year.

The Postal Service has incurred net losses from operations in 10 of the last 11 fiscal quarters. The year-to-date net loss is \$2.3 billion, compared to a loss in the same period last year of \$35 million. A significant portion of the losses over this period can be attributed to an unprecedented decline in mail volume. In the second quarter, mail volume totaled 43.8 billion pieces, down 7.5 billion pieces, or 14.7 percent, compared to a year ago.

The second-quarter results include operating revenue of \$16.9 billion, a decrease of nearly \$2 billion, or 10.5 percent, from the same period last year, and operating expenses of \$18.8 billion, a reduction of \$782 million, or 4 percent, from the second quarter of last year. Complete second-quarter results are contained in the Postal Service Form 10-Q report, available at usps.com/financials.

"The economic recession has been tough on the mailing industry, and we have seen an unprecedented decline in mail volumes and revenue that continued to accelerate during the second quarter," said Postmaster General John Potter. "We are aggressively realigning our costs to match the lower mail volumes, while also maintaining the high level of service and reliability our customers expect. We are also taking a number of steps to grow revenue."

The Postal Service has recently developed incentive programs to increase mail volume, including advertising mail and Priority Mail. In addition USPS has proposed a summer sale for Standard Mail, which is currently under review by the Postal Regulatory Commission.

CORRECTION:

An FAQ on page 10 in the March/April 2009 edition of *MailPro* incorrectly said mailings that do not comply with Move Update requirements will be assessed a non-compliance charge beginning Jan. 7, 2010. The date is Jan. 4, 2010. The date was correct on page 4 in the "Highlights of Changes."

The Postal Service continues to support H.R. 22, a House bill that would redirect a portion of the Postal Service's prior payments to the Postal Service Retiree Health Benefits Trust Fund to pay its share of contributions for current retiree health benefits through 2016. If enacted, the legislation would reduce the projected 2009 net loss by approximately \$2 billion and help enable the Postal Service to meet its 2009 financial obligations.

Cost Reductions

"We are aggressively reducing work hours and other costs to limit losses, preserve cash and improve productivity," said Joseph Corbett, chief financial officer and executive vice president. Initiatives designed to match work hours to reduced volume have resulted in a work-hour decline of 58 million hours — the equivalent of a reduction of 33,000 full-time employees — in the first half of FY 2009, despite an increase in the number of delivery points by 1.1 million from the same period last year. The work-hour reduction is on pace to meet the goal of reducing work hours by more than 100 million for the entire year, the equivalent of 57,000 full-time employees.

Corbett said other savings are coming from consolidating excess capacity in mail processing and transportation networks, realigning carrier routes, halting construction of new postal facilities, freezing Postal Service officer and executive salaries at 2008 pay levels, reducing travel budgets and similar measures. ■

INSIDE THIS ISSUE

- 3 POSTMASTER GENERAL AT FORUM
- 4 PRICING FLEXIBILITY
- 4 FSS DELIVERS EFFICIENCY
- 5 'BEST IN CLASS' HONORED
- 6 SUMMER SALE
- 7 COMMERCIAL PRICING
- 8 MAILING SERVICES
- 9 SATURATION INCENTIVES

This newsletter is published bimonthly at no charge for mailing professionals. It contains information on current Postal Service programs and services, rates and classification, mailing success stories and industry news. To request *MailPro*, or to change your mailing address (include current mailing label), mail, fax or e-mail your name, title, company name, delivery address and daytime phone number to:

MailPro
NATIONAL CUSTOMER SUPPORT CENTER
US POSTAL SERVICE
6060 PRIMACY PKWY STE 101
MEMPHIS TN 38188-0001
Fax: 901-681-4521
E-mail: mncsc@usps.com

FOCUSED ON THE FUTURE

The Postal Service cannot, and will not, sacrifice the excellent levels of service it provides the American public to meet its current economic challenges, Postmaster General John Potter told more than 3,000 mailers attending the National Postal Forum in Washington, DC.

“Despite the challenging economy, this is not a time for panic, but rather a time for us to continue focusing on the things that matter,” he said, explaining that service, affordable pricing, growth and structural changes within the Postal Service would position USPS and the mailing industry for a stronger future.

By embracing technology and constantly modifying, adjusting and consolidating its operations, the Postal Service will become more efficient and flexible — adapting to meet the needs of the American public.



Postmaster General John Potter addresses National Postal Forum.

Key to building for the future, said Potter, is improving communications and partnering with the mailing industry to offer business incentives and product enhancements that will generate new revenue and strengthen the power of the mail.

While USPS continues its cost-control efforts, and matching resources to workloads, Potter cautioned mailers that no business can cost-cut its way to success. Rather, the Postal Service must focus on what will help generate new revenue and improve efficiencies — both for mailers and for USPS.

This includes offering new product and pricing incentives allowed under the Postal Accountability and Enhancement Act of 2006, and simplifying the process of doing business with the Postal Service to drive growth.

Thanking Deputy Postmaster General and Chief Operating Officer Pat Donahoe, and all postal employees, for their tremendous accomplishments in delivering service excellence and helping control costs, Potter emphasized USPS is doing what it can to help itself during the current economic crisis.

As the Postal Service continues to make changes to its operations, staffing and facilities, added Potter, USPS will have to make difficult decisions to protect its future and increase the value of the mail.

He also told NPF attendees that he is confident these actions will continue to benefit the Postal Service and the mailing industry in the future.

“The bottom line is that we’re all in this together, and we need your input,” said Potter. ■



Postal Service booth in NPF exhibit hall.

FYI

Go to ribbs.usps.gov to view the 2009 Intelligent Mail Symposium. Click *Intelligent Mail Services*, then *Presentations*.

FYI

Flat-rate boxes and envelopes are provided for customer convenience. There may be lower zone-based Express Mail and Priority Mail prices.

PRICING FLEXIBILITY, INCENTIVE PROGRAMS ENCOURAGE GROWTH

The Postal Service has one of the best shipping products – Priority Mail Flat Rate Boxes – and a new sales force to make USPS a great choice for mailers to reach and serve their customers.

That was the message Deputy Postmaster General and Chief Operating Officer Pat Donahoe and Mailing and Shipping Services President Bob Bernstock delivered to NPF participants.

“Our ultimate success – and customer satisfaction – depends upon the level of our service,” Donahoe told mailing industry representatives. “Continued service excellence allows us to partner with you to help drive business

growth in a down economy and, just as importantly, to make sure we are ready when the economy rebounds.”

Pricing flexibility, incentives and programs like the “Summer Sale” make mail a powerful tool, said Bernstock.

The Summer Sale, beginning in July, will provide a 30 percent incentive for qualifying customers mailing Standard Mail letters and flats. The offer is subject to review by the Postal Regulatory Commission for up to 45 days following May 1.

Bernstock noted that mail is targeted, tangible, affordable and flexible, allowing mailers to maintain the same household reach

with any mix of mailings desired. In addition, he said, recent industry surveys show that during tough economic times more than 60 percent of mailers believe direct mail is highly effective in acquiring and retaining customers.

To help business mailers find the right postal products and services to help their business grow, USPS also has created a new sales group.

“Customers told us they wanted ‘one-stop shopping’ with the Postal Service, so we combined sales, the business development teams and the business service network to create that one central point of contact our customers asked for,” said Susan Plonkey, vice president, Sales. □

FSS DELIVERS IMPROVED EFFICIENCY, SERVICE

As nationwide deployment of Flats Sequencing System (FSS) equipment continues, the Postal Service is revising its timeline and

evaluating the redirection of installations to facilities where it makes the best business sense, says FSS Executive Director Rosa Fulton.

“With the decline in flats

volume mirroring the overall decline in letter mail, we don’t want to over-deploy equipment to where we don’t have sufficient volumes,” Fulton told mailers attending a NPF “flats strategy” workshop.

Flat volume in FY 2008 declined by 7.2 billion pieces (11.1 percent) compared to FY 2007, and that trend continues, according to Fulton. Year-to-date for 2009, total flat mail volume has dropped 12.9 percent compared to the same period last year.

But there’s no doubt FSS will continue to revolutionize the way USPS sorts flat-sized mail, and help improve service and control costs.

FSS equipment deployed at the Dulles, VA, P&DC currently sorts flats in delivery point sequence for 13 delivery units and 23 zones within the Northern Virginia District. The three machines at Dulles each are capable of sorting 16,500 pieces per hour with two passes, sequencing some 280,500 pieces per day to more than 125,000



Flats Sequencing System at Dulles, VA.

FYI

The Postal Service is the only shipping company that has earned Cradle to Cradle certification for the environmentally friendly design and manufacturing of its boxes and envelopes.



Bob Bernstock, president, Mailing and Shipping Services; Martin Bernstein, director of transportation, JC Penney; Danny Jackson, senior manager of postal operations, Netflix; and Deputy Postmaster General and COO Pat Donahoe participate in panel discussion at NPF.

delivery addresses.

Because there are fewer flats for letter carriers to case manually, delivery units have seen significant changes. Route adjustments in FSS offices have eliminated full-time routes, the downsized casing equipment has freed up workroom space, and excess delivery vehicles have been redeployed to where they're needed.

"Change is coming," said Fulton, "and our investment in new technologies and equipment will allow us to continue providing the excellent service our customers expect."

"Just as importantly," she said, "when the economy stabilizes, there will be a renewed demand for shipping and mailing services. By continuing to invest in the future, we'll make sure our customers get even more value from the mail, through the Intelligent Mail barcode and the state-of-the-art Flats Sequencing System. They'll both contribute to improved service and reduced costs." ■

POSTAL SERVICE HONORS 'BEST IN CLASS'

At every NPF, the Postal Service gives special recognition to a select group of postal customers for their commitment to a successful business partnership with USPS and contributions to the continued success of the mailing industry.

The recipient of the Postal Service's 2009 Partnership for Progress Award is Publishers Clearing House (PCH). As one of the true pioneers in the mailing industry, PCH has developed many of the innovations direct mailers use daily, including mail personalization. PCH perfected the art of making targeted offers based on customers' prior purchases, as well as using sweepstakes to draw customers' attention to those offers.

The Postal Service also gave special recognition at the NPF to customers who have contributed to the success of the mailing industry through innovation, collaboration and creative risk-taking.

Recipients of the Corporate Business Achievement Award are Medco, Consumer Cellular, Silpada Designs, Shopko, Women's International Pharmacy, Alzheimer's Association, Video Professor, Foot Locker, Ameristar Casinos Inc., Quad/Graphics Inc., FedEx SmartPost and Cummings Printing.

Honored with a Strategic Business Development Award are Bath Fitter, Comcast Cable, ULTA Salon, Cosmetics and Fragrance Inc., AARP, Luxottica Group, Charles Schwab and Co., CCS Medical, Heritage Auction Galleries and U.S. Bancorp.

The Creative Business Solutions Award goes to Hartford Financial Services Group, ING Direct, The Allstate Corp., Herff Jones Co., American Express, Wine Country Gift Baskets, Asurion, Blockbuster Inc. and UnitedHealth Group. ■

SUMMER SALE

FYI

More than 200 Postal Customer Councils will participate in National PCC Day activities Sept. 16.

The Postal Service is using its pricing flexibility to help customers grow volume and to stimulate economic growth through the Standard Mail Volume Incentive Pricing Program, also known as the "Summer Sale."

This innovative approach encourages mailers to provide additional volumes of Standard Mail letters and flats, which will make use of current excess mail capacity. The Summer Sale will be effective from July 1, 2009, through Sept. 30, 2009, and will provide a 30 percent credit to eligible mailers of commercial and Nonprofit Standard Mail letters and flats volume above a mailer-specific threshold. Participating mailers must meet certain requirements and will receive a credit to a specified permit imprint advance deposit account, or Centralized Account Payment System (CAPS) account after the end of the sale.

Who can take advantage of the Summer Sale?

Mail owners who mailed at least 1 million Standard Mail letters and/or flats between Oct. 1, 2007, and March 31, 2008, are eligible to participate. Mail owners will be eligible to participate in the



program with qualifying volume prepared by a mail service provider when entered through a permit owned by the participating mail owner.

Mail volume through a mail service provider's permit may also qualify as long as the mail can be identified as being prepared on behalf of the mail owner and adequate current and historical documentation can be provided.

Mail service providers are not eligible to participate.

In early May, USPS mailed letters to all eligible Standard Mail customers to explain the program and provide the mailer-specific threshold number they must surpass to earn the 30 percent postage credit. The letter also provided customer application and other instructions. Customers wishing to participate in the

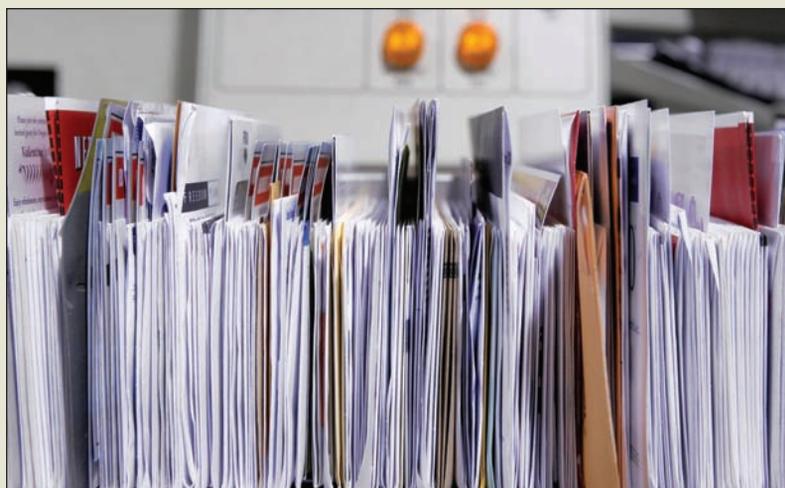
program who believe they meet the eligibility standards and did not receive a letter may request a review of their eligibility by contacting summersale@usps.gov.

How does the Summer Sale work?

Mailers will receive a credit of 30 percent of the average postage per piece applied to the total eligible Standard Mail volume above the mailer-specific threshold recorded during the program period.

This threshold is established by comparing the volume of Standard Mail letters and flats mailed from Oct. 1, 2007, to March 31, 2008, to that mailed from Oct. 1, 2008, to March 31, 2009. The change in recorded mailing volume between these two periods will represent the applicant's volume trend. The volume trend will then be applied to the volume of Standard Mail letters and flats mailed from July 1, 2008, through Sept. 30, 2008, to calculate the USPS-determined threshold.

USPS filed notice with the Postal Regulatory Commission on May 1 for the Summer Sale and the offer is subject to review by the commission for up to 45 days following May 1. For additional information, see the *Federal Register* notice available on Postal Explorer at pe.usps.com. □



FYI

When sealing a Priority Mail Flat Rate Box — or flat-rate envelope — the container flaps must be able to close within the normal folds. Mailers can apply any amount of tape to the flaps and seams for closure or to reinforce the container, provided the design of the container is not enlarged by opening the sides, and the container is not reconstructed in any way. As long as it closes properly, a flat-rate envelope or box can contain odd-shaped items.

PRIORITY MAIL COMMERCIAL PRICING: DO YOU QUALIFY?

Commercial Base Prices

Priority Mail commercial base prices were introduced in May 2008. These prices are lower than retail prices and were established to offer lower prices to commercial Priority Mail customers and to encourage the use of online postage payment. Commercial base prices are available to customers who use Click-N-Ship, registered end-users of PC-Postage products, customers using permit imprint, Priority Mail Open and Distribute (PMOD) customers, and customers who pay postage using information-based indicia (IBI) postage meters.

Customers using permit imprint qualify for the commercial base prices when a postal routing barcode matching the destination ZIP Code is on the mailpiece. Customers mailing flat-shaped mailpieces and using a permit imprint to pay postage may use a POSTNET or Intelligent Mail barcode instead of the postal routing barcode on the mailpiece. To allow for system enhancements, USPS provided an exception to the barcode requirement for permit imprint customers until January 2011.

On Jan. 18, 2009, the Postal Service expanded the Priority Mail commercial base prices to customers who pay postage using IBI postage meters, in conjunction with an approved shipping label that includes a confirmation services barcode with a postal routing code. An approved shipping label is one that includes an electronic confirmation services barcode from a source that has been approved to electronically transmit the confirmation services file to the Postal Service (such as Shipping Assistant). In conjunction with the January 2010 shipping services price change, to qualify for the commercial base prices, the IBI meter will be required to electronically provide transactional data by customer.

Priority Mail commercial base prices are also available to Click-N-Ship customers and registered end-users of USPS-approved PC Postage products when using a qualifying shipping label managed by the PC Postage system used. A qualifying shipping label is a label produced by the USPS-approved PC Postage product that includes a concatenated confirmation services

barcode. PMOD customers using permit imprint with a Service barcode on the address label also qualify for commercial base prices.

Commercial Plus Prices

On Jan. 18, 2009, USPS implemented a new pricing tier for high-volume shippers called commercial plus prices. These prices are even lower than commercial base prices to provide greater incentives for larger Priority Mail customers. Priority Mail commercial plus prices are available to existing permit imprint customers who qualify for commercial base prices and whose account volume exceeded 100,000 pieces in the previous calendar year, and to PMOD customers who qualify for commercial base prices and shipped more than 600 PMOD containers in the previous calendar year. Priority Mail commercial plus prices are also available to registered end-users of USPS-approved PC Postage products who qualify for commercial base prices and whose account volume exceeded 100,000 pieces in the previous calendar year.

New and existing Priority Mail customers can qualify for commercial plus prices by entering into a Customer Commitment Agreement. Customers should contact their Postal Service account manager or the Office of Commercial Pricing at cpp@usps.gov for additional information. ■



MAILING SERVICES PRICE CHANGE RECAP

FYI

The Business Customer Gateway is located at usps.com. Look for the link at the bottom of the website.

On May 11, the Postal Service implemented new mailing services prices. The March/April 2009 issue of *MailPro* provided detailed information on this price change. Complete domestic and international pricing information is available at usps.com/prices. Customers can view the prices of the products they use as well as download and print the price tables. In addition, all the prices are in one source – just scroll down to the *Price List*, Notice 123, available in PDF and HTML formats.

First-Class Mail and Standard Mail Letters

For both First-Class Mail letters and Standard Mail letters, USPS aligned the standards for machinable and automation letters so that machinable letters have the same physical characteristics as automation letters. The only difference is that machinable letters do not have a qualifying barcode.

First-Class Mail and Standard Mail customers now have the option of simplified preparation for automation letters. Automation letter 5-digit/scheme, 3-digit/scheme and AADC preparation is now optional. Customers pay for the level of sortation they choose. Mixed AADC is the only required

sort. This optional preparation also is available for Standard Mail machinable letters. This gives customers the ability to choose the level of sortation that works best for them.

Standard Mail Parcels

Irregular Parcels and Not Flat-Machinable (NFM) Pieces Less Than 6 Ounces

Price categories changed for irregular parcels and NFMs weighing less than 6 ounces. New SCF prices replace the 3-digit prices, and ADC and mixed ADC prices are replaced with BMC and mixed BMC prices.

For mailings entered at an origin postal facility, only mailings prepared on BMC pallets are eligible for the BMC prices. Pallets must contain at least 200 pounds of mail. Mailers cannot combine irregular and machinable parcels for BMC prices but may combine their irregular parcels and NFMs less than 6 ounces. Other mailings prepared for origin entry are eligible only for the mixed BMC prices.

For mailings prepared in sacks, the 5-digit, SCF and BMC prices are limited to mailings prepared for and claimed at DBMC, DSCF and DDU entry prices.

Machinable Parcels and Not Flat-Machinable Pieces 6 Ounces and Over

These price categories did not change. Just like irregular parcels and NFMs less than 6 ounces entered at an origin facility, only mailings prepared on BMC pallets are eligible for the BMC prices, and pallets must contain at least 200 pounds of mail. Mailers cannot combine irregular and machinable parcels for BMC prices but may combine their machinable parcels and NFMs 6 ounces and over. Other mailings prepared for origin entry are eligible only for the mixed BMC prices.

For mailings prepared in sacks, the 5-digit and BMC prices are limited to mailings prepared for and claimed at DBMC, DSCF and DDU entry prices.

Mailers may combine irregular parcels and NFMs less than 6 ounces with machinable parcels and NFMs 6 ounces or more only on destination 5-digit pallets.

Refer to pages 3 and 4 in the March/April *MailPro* on usps.com/mailpro for detailed information on Standard Mail parcel preparation.

Parcel Post and Parcel Select

The pricing structure for retail Parcel Post was simplified by replacing the separate price categories for Inter-BMC/ASF and Intra-BMC/ASF with a single Parcel Post category based on weight and zone.



USPS also eliminated the Parcel Post nonmachinable surcharge and the local zone no longer has a separate price. This change aligned Parcel Post prices and zones with other classes of mail. The oversized price remains as part of the price structure.

Parcel Select BMC and OBMC Presort, and Parcel Select Barcoded Nonpresort have the same price structure as retail Parcel Post.

New Bronze Tier for Confirm Services

Confirm service — also known as “OneCode Confirm” when using Intelligent Mail barcodes — offers more choices for customers than ever before. The new Bronze subscription tier provides an affordable option for smaller-volume mailers who prefer to receive their data directly from the Postal Service. Customers can also have the Confirm system send data to whomever they choose, such as a service provider or an affiliated organization.

The Postal Service also is offering new data distribution options for Full-Service Intelligent Mail customers who are not Confirm subscribers. For instance, USPS can generate Confirm data using a non-subscriber's mailer ID in the barcode and send that data to a Confirm subscriber through the Full-Service Intelligent Mail data distribution process. Subscribers must register the mailer ID in Confirm and pay the

"additional ID" fee. This option is just one of the many Full-Service Intelligent Mail benefits supported by Confirm and other applications, such as OneCode ACS.

Move Update

Move Update provides a tool for customers to ensure that their messages get to all the right addresses. Business mail entry units continue to work with customers to help them improve their address quality by sharing data. Beginning Jan. 4, 2010, USPS is fully implementing the Nov. 23, 2008, Move Update standards. The new Move Update noncompliance charge will be 7 cents per piece for Standard Mail mailings that do not comply with the Move Update standards.

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 March/April 2009 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. □

FYI

Go to Postal Explorer at pe.usps.com for *Domestic Mail Manual* and other resources.

SATURATION INCENTIVES

Saturation mail offers mailers a low-cost alternative to target advertising messages geographically in a local market. To help mailers grow their business at affordable prices and encourage volume growth, the Postal Service has created an incentive program for mailers who increase their saturation Standard Mail letters or flats volume between May 11, 2009, and May 10, 2010. This increase could result from growth of their total mailed volume or from growth within a defined market area.

Mailers wishing to participate must submit a letter requesting participation to their district manager, business mail entry no later than Aug. 1, 2009. Requests must be completed and submitted by an authorized official of the business or nonprofit entity that owns the mail.

Participating mailers must demonstrate saturation mailing activity in both the 2007 and 2008 calendar years, with a minimum of six saturation

mailings in the 2008 calendar year. Participating mailers must also pay postage through a permit imprint advance deposit account at the time of application and must have a functioning Centralized Account Payment System (CAPS) account before May 10, 2010. Each permit imprint advance deposit account used for the payment of postage for saturation mailings must be established at a postal facility having *PostalOne!* capability.

The incentive program provides a per-piece credit at the end of the program period, to the approved mailer's CAPS account for the verified saturation mail letters and flats volume that exceeds the previous year's volume. By type of mail, the credits for incremental volume are as follows:

- Standard Mail saturation flats: 4 cents per piece.
- Standard Mail saturation letters: 3.7 cents per piece.
- Nonprofit Standard Mail saturation flats: 2.4 cents per piece.
- Nonprofit Standard Mail saturation letters: 2.2 cents per piece.

Mailers interested in obtaining additional information can visit the RIBBS website at ribbs.usps.gov or see the Feb. 23 *Federal Register*, available on Postal Explorer at pe.usps.gov. □

Franchisees that are not separate business entities may not apply for the incentive independently of the parent organization. Printers and mailing agents may not request participation on behalf of customers for which they prepare mail.

**Customer returns so easy,
they almost return themselves.**



The Postal Service™ makes return shipping easy. And easy customer returns make for happy return customers. They can use a pre-printed label or download one online. Then schedule a Free Package Pickup,* and our Postal carrier will pick it up on their regular route. With many convenient drop-off locations available, getting your product back has never been easier. To find out how well the Postal Service fits your business, e-mail packageservices@usps.gov[†] today.

*For complete details, visit usps.com®

[†]Please provide magazine name where you saw this ad, your complete contact information, and average number of returns you receive daily.
©2009 United States Postal Service. Eagle symbol and logotype are registered trademarks of the United States Postal Service.



FYI

The Postal Service has been honored with more than 70 major environmental awards, including the 2009 Climate Action Champion award.

GUIDE TO INTELLIGENT MAIL RESOURCES

When it comes to information about Intelligent Mail services, "A Resource Map to Intelligent Mail Documents" is a good place to start.

Available on the Postal Service's RIBBS website, the resource map lists and describes an array of Intelligent Mail guides, specifications and manuals that will make it easier for customers to take full advantage of the suite of Intelligent Mail barcodes.

Included in the resource map is "A Beginners Overview to Intelligent Mail Services." This guide provides



fundamental information on the benefits of Intelligent Mail services, such as the ability to uniquely track each piece of mail in a mailing. Mailer requirements for using the services, the two service-level options – Basic and Full-Service, how to get started and where to find additional resources also are explained.

Go to ribbs.usps.gov, click *Intelligent Mail Services* then select *Guides* from the drop-down menu. The resource map is listed under "Important Links." ■

Volume 3 Number 3

Editorial
Ilze Sella
Monica Grein

Design
Andrea Rogoff

John Potter
Postmaster General and
Chief Executive Officer

Steve Kearney
Senior Vice President,
Customer Relations

Maura Robinson
Vice President,
Pricing

Mitzi Betman
Vice President,
Corporate Communications

MailPro
is published by U.S. Postal Service
Customer Relations.
USPS eagle symbol and logotype are
registered marks of the
United States Postal Service.

© 2009 United States Postal Service. The following are among the many trademarks owned by the United States Postal Service: United States Postal Service®, U.S. Postal Service®, USPS®, Post Office™, First-Class Mail®, usps.com®, Click-N-Ship®, Express Mail®, Priority Mail®, Standard Mail®, Intelligent Mail®, Parcel Select®, Express Mail International®, Signature Confirmation™, Certified Mail™, Delivery Confirmation™, Registered Mail™, ZIP Code™, Carrier Pickup™, Priority Mail International™, First-Class Mail International™ and RIBBS™. This is not a comprehensive list of all Postal Service marks.

Send address corrections and
subscription requests to:

MailPro
NATIONAL CUSTOMER SUPPORT CENTER
US POSTAL SERVICE
6060 PRIMACY PKWY STE 101
MEMPHIS TN 38188-0001
fax: 901-681-4521
e-mail: mncsc@usps.com

Send stories, photos and editorial suggestions to:
EDITOR

MailPro
US POSTAL SERVICE
475 L'ENFANT PLAZA SW RM 10541
WASHINGTON DC 20260-3100
fax: 202-268-2392
e-mail: mailpro@usps.com

See our Privacy Policy on usps.com.

Online services:
usps.com
ribbs.usps.gov

MailPro
usps.com/mailpro

PCC website/PCC Insider:
usps.com/pcc



COLLABORATIVE LOGISTICS

The Postal Regulatory Commission has reviewed a Postal Service proposal to test a less-than-truckload (LTL) "collaborative logistics" shipping product. In April, the Postal Service filed a notice with the PRC announcing its intent to offer the LTL service for the next two years.

While USPS continues to optimize its transportation network to reduce cost, excess capacity will remain due to natural imbalances in mail

volume between cities, which makes underutilized space on some highway transportation predictable.

USPS will sell underutilized space on its highway transportation, and anticipates the majority of the unit loads transported will be pallets picked up and delivered to firms, stores, hospitals, warehouses, other large customers and/or postal facilities. Contracts will be negotiated and centrally managed by Network Operations at postal headquarters. ■

LEADERSHIP IN SUPPLY MANAGEMENT

The Postal Service has earned the R. Gene Richter Award for "Leadership and Innovation" for optimizing the use of bidding software that resulted in savings of more than \$57 million from 2005 to 2008.

Called "optimization-enabled sourcing," the technology allows suppliers to submit multiple bids on a proposed contract based on different bundling options that best meet their capabilities. The Postal Service's Supply Management organization and its internal clients can then examine

and evaluate the bids in many ways to get the best possible deal – in cost and in service – for the Postal Service.

Without the technology solution, the collection and evaluation of multiple bid combinations is a manual process that can be time consuming. The optimization tool enables multifaceted analysis on hundreds of business requirements to occur in minutes, and sourcing events can be completed in days.

The award is sponsored by the Institute of Supply Management. ■

MailPro

NEWS FOR MAILING PROFESSIONALS

DATA ENTRY
US POSTAL SERVICE
6060 PRIMACY PKWY STE 201
MEMPHIS TN 38188-0001

Presorted
First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

FLAT-RATE BOXES. SIMPLE SHIPPING.

A great product is getting some great buzz.

A nationwide advertising campaign now under way highlights the benefits of Priority Mail Flat Rate Boxes for business customers. Flat-rate boxes are an easy way to ship to any state for a low flat rate — if it fits, it ships — for mailable items up to 70 pounds. The whole country is one zone with flat-rate boxes.

And to more easily identify the flat-rate boxes by their respective sizes, the Postal Service has changed the name of regular flat-rate boxes to Priority Mail Medium Flat Rate Boxes. The product line is now small, medium and large boxes — a great fit for your shipping needs.

A new website — prioritymail.com — can help you learn more about flat-rate shipping, including a free shipping kit with boxes and shipping guide. Check it out for a simpler way to ship. ■

