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POSTAL NEWS

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Postal Service Exclusive Carrier of Packages to the Last-Mile for DHL

WASHINGTON, DC — The U.S. Postal Service said today that the international delivery company DHL will leverage an existing agreement to give the Postal Service exclusive delivery services to the last-mile in certain locations. The expanded agreement will build on the existing arrangement through a combination of the Postal Service's Priority Mail and Parcel Select products.

"I am pleased DHL has chosen to expand its existing relationship with the Postal Service, giving us the opportunity to deliver more of their packages the last-mile," said Jim Cochrane, acting vice president of ground packages. "This new volume is a natural extension of the delivery service we already provide to DHL and further recognizes the inherent value of the delivery reach of the Postal Service. Last-mile delivery remains a fundamental strength of the Postal Service."

Since 2003, the Postal Service has provided last-mile delivery for DHL in over 20,000 ZIP Codes nationwide through its Parcel Select service. This expansion makes USPS the exclusive provider of delivery service to DHL for 3,600 of the nation's 46,000 ZIP Codes through use of Priority Mail and Parcel Select service.

"Partnering with us has economic as well as environmental benefits because it reduces the number of different trucks in the neighborhood serving the same locations--locations we visit every day already," Cochrane added.

Parcel Select

Parcel Select is a reliable, low cost way for businesses to ship packages to residential customers. Postal Service business partners, including traditional competitors like FedEx, UPS and DHL, pick up packages from large retailers then transport and deposit these packages at a Postal Service facility near the customer's address. From there, Postal Service carriers deliver the packages the last mile to their final destinations.

Parcel Select provides special features that are important to shippers such as up-front estimates of delivery times, email notification to customers and end-to-end tracking with electronic data interchange.

Priority Mail

Priority Mail is an expedited mail service with 2 to 3 day delivery to every address in the United States - including PO Boxes and military addresses. Other features include: Saturday and residential deliveries at no extra cost and free shipping supplies; maximum weight is 70 pounds and the maximum size is 108 inches in length and distance around the thickest part combined. Customers can print a shipping label online and receive Delivery Confirmation™ service at no additional cost.

DHL@home

DHL@home service is designed for business-to-residence shippers who desire a secure, cost-effective shipping solution. Shipments are picked up by DHL and delivered the last-mile to customers at their home, business or Post Office Box by the local Post Office using Parcel Select. Standard delivery is 2 to 4 days. Deferred delivery is 2 to 7 business days. Shipments of up to 70 lbs. are accepted and the sender can track packages door-to-door.

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An independent federal agency, the U.S. Postal Service is the only delivery service that reaches every address in the nation, 146 million homes and businesses, six days a week. It has 37,000 retail locations and relies on the sale of postage, products and services, not tax dollars, to pay for operating expenses. The Postal Service has annual revenue of \$75 billion and delivers nearly half the world's mail.