



EXCELLENCE IN GRAPHIC COMMUNICATIONS MANAGEMENT

Postal for Printers

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Postal for Printers: Getting Oriented

- The USPS is:
 - Primarily operations-driven
 - Highly regulated internally and externally
 - Financially and legally conservative
 - Organized hierarchically

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Postal for Printers: Ratesetting

- Now
 - Ten-month litigation, plus preparation and implementation
 - Inflexible, not market-responsive
- Under reform
 - Simpler, shorter process
 - CPI-based



Postal for Printers: Rulemaking

- USPS proposes implementation rules
 - Linked to rate case filing
 - Influenced by public input
- Final rules follow PRC decision
 - Announced in *Federal Register*
 - Brief implementation period



Postal for Printers: Rate Case Issues

- Shape matters – more than weight
- Processing efficiency
- Deaveraged prices – clearer link to cost
- Address quality



Postal for Printers: Shape Matters

- Letter-size mail pays the lowest rates
 - Highly automated
- Flat-size mail pays more
 - Less automation
- Small parcels pay even more



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Postal for Printers: Processing Efficiency

- Automation compatible
 - Size, weight, shape, thickness, uniformity
 - Barcoded
- Presort
- Destination entry

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Postal for Printers: Deaveraged Prices

- Segregation of mail shapes
- Elimination of some presort discounts
- Better correlation of cost and price

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Postal for Printers: Address Quality

- List updates and maintenance
- Frequency and method of correction
- Use of current and complete information
- Certified software
- Reduction of UAA mail volume and cost



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Postal for Printers: What to do

- Mailpiece design – shape matters
- Mailing efficiency – volume drives presort
- Postage costs – optimize rate opportunities
- Automation – quality address and barcode