

United States Postal Service®

# INDUSTRY ALERT

## **Postal Service Files Competitive Price Change**

*No Price Increase Expected for Priority Mail Express and Priority Mail*

WASHINGTON – Today, the Postal Service filed with the Postal Regulatory Commission (PRC) a Competitive Products price change.

Unlike other shipping companies, the Postal Service is not implementing any new dimensional weight charges with this pricing proposal, continuing its commitment to deliver the best value for customers. With affordable shipping options, the Postal Service hopes to attract new business customers to become their delivery provider of choice.

Under the Postal Accountability and Enhancement Act (PAEA), each product must cover its attributable costs while all competitive products, collectively, must contribute an “appropriate share” to the institutional costs of the Postal Service. The PRC has defined this share as, at least, 5.5 percent of the Postal Service’s institutional costs.

While moderate price increases are proposed for the majority of the competitive products, the key elements of the 2015 Competitive price change filing include:

- No price change for Priority Mail Express, Priority Mail, or Pickup on Demand
- Eliminating the Parcel Return Service – Full Network price category
- New zoned prices based on origin ZIP Code for Priority Mail International (PMI) destined to Canada
- An increase to 66 pounds for the maximum weight for PMI Rate Group 17 (Netherlands)
- Combining the insurance tables for Priority Mail Express International and for PMI to simplify pricing

The Postal Service has structured this pricing proposal to drive business and profitability. The PRC will review the prices before they are proposed to become effective on April 26, 2015, to determine if prices are consistent with applicable law.

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The Postal Service receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.