MTAC First-Class Mail Group

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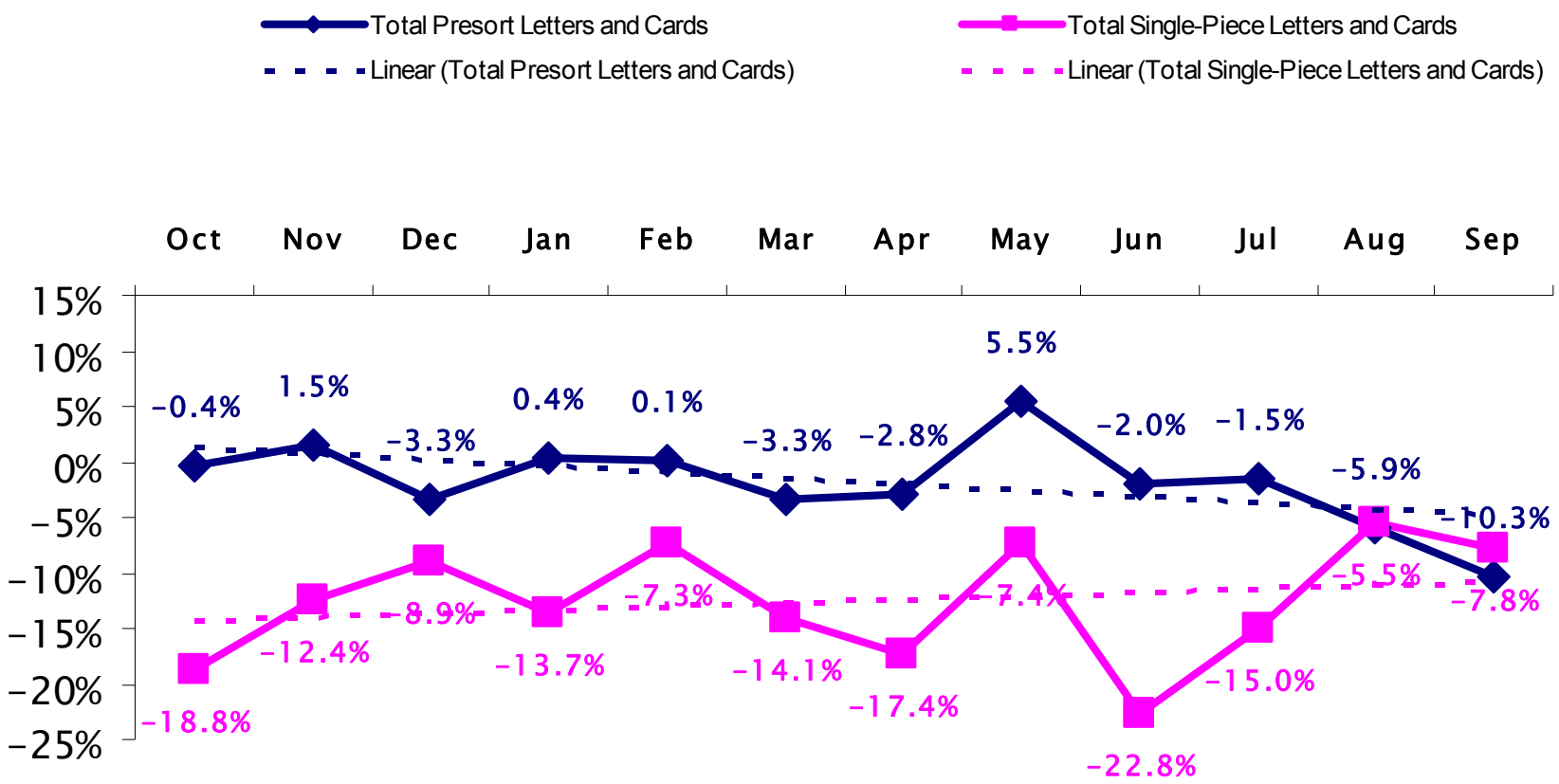
UNITED STATES
POSTAL SERVICE

Agenda

- Pulse of the Industry
- 2013 Pricing Change
- 2013 Promotional Calendar
  - Holiday Mobile Shopping Promotion
  - Earned Value Promotion
- Future Promotions
- Open Discussion

First-Class Mail

- Product Performance



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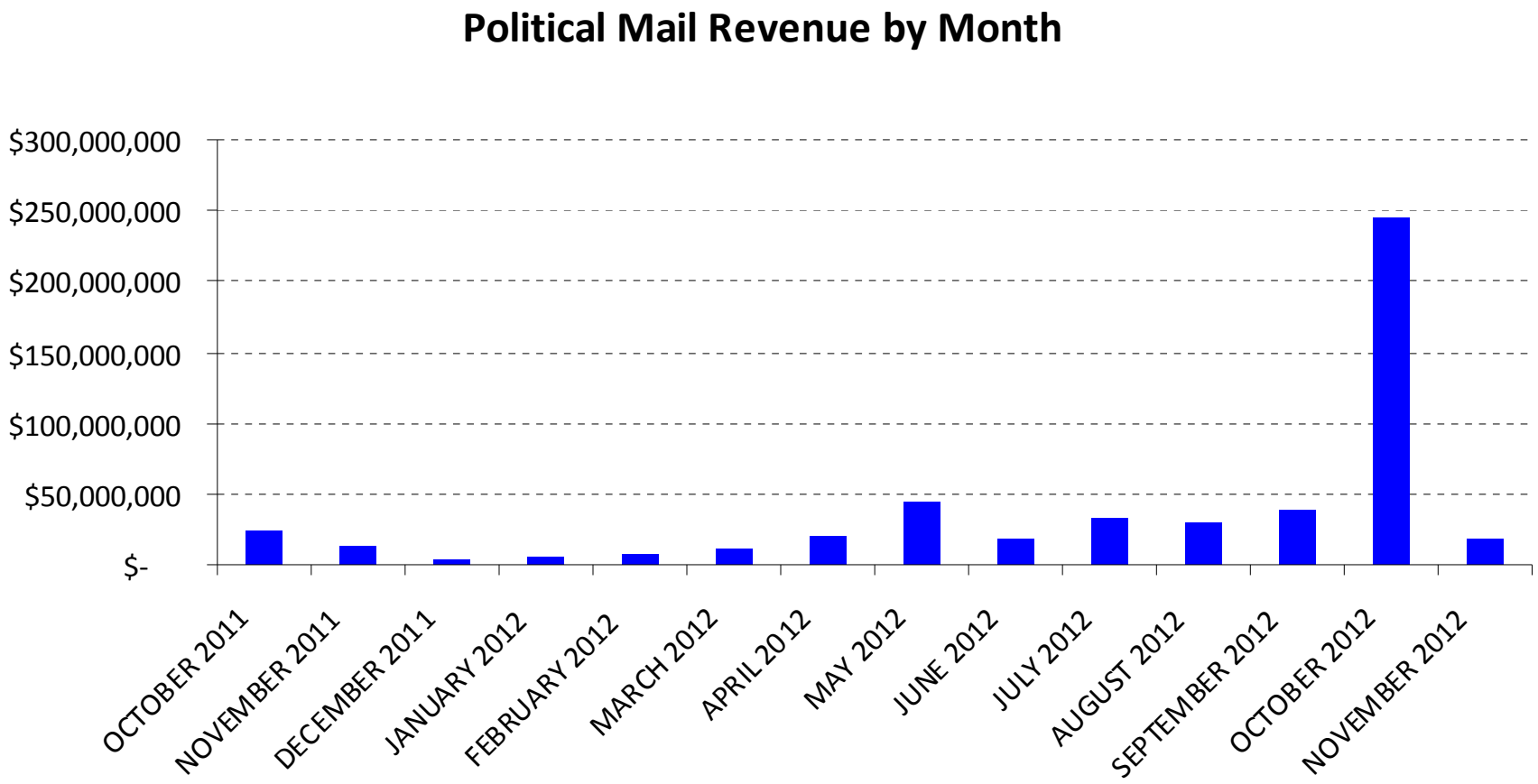
Political Mail

- Revenue Performance



$507M Political Mail Revenue in FY'12…

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2013 Pricing Change

Mail Promotions

2011 Mobile Barcode Promotion	2012 Mobile Commerce and Personalization Promotion	2012 Holiday Mobile Shopping Promotion	2013 Promotional Calendar
July-Aug 2011	July-Aug 2012	Nov 2012	2013

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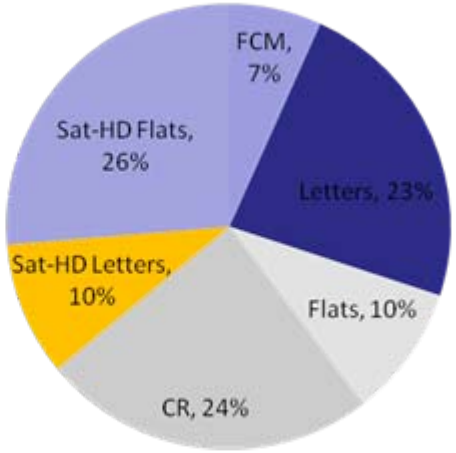
2012 Mobile Commerce & Personalization Promotion

- Participation Results
  - Nearly 1,100 customers and over 42,000 mailings
  - 24% of Standard Mail (3.2B pieces)
  - 3% of First-Class presort mail (0.2B pieces)
  - 3% of participating volume paid non-profit postage
- $14.8 M in discounts

Over 3.4 B mail pieces

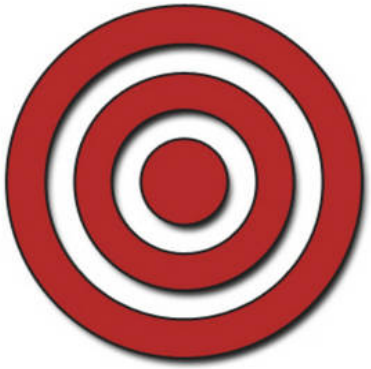


2012 Mobile Commerce & Personalization Promotion

- Survey Findings - 266 responses to survey
  - Creating mobile optimized site was biggest challenge
  - 28% of respondents had to make changes to their web site
    - 16% said changes were prompted by promotion
    - Additional 7% said they accelerated their plans
  - More direct mail was the most likely response when asked what they planned to do with savings
  - 38% of respondent perceive USPS as being more innovative

2012 Holiday Mobile Shopping Promotion

- November 7-21 (two weeks)
- 2% discount, mobile technology on mailpiece
  - Must link to mobile-optimized product purchasing site
- Additional 1% discount for PM fulfillment



TARGETS

- E-tailers, Retailers

2012 Holiday Mobile Shopping Promotion

- Preliminary Results
  - Over 330 customers participating
  - 1 B pieces participating
  - Over $4.6 M in discounts
  - Few customers have registered for additional 1% discount for PM fulfillment
    - Register by Dec 1
  - Look for survey by Dec 7

2013 Promotions Calendar

- Approved by PRC Nov 16
- Series of promotions communicated upfront
- Lead industry, encourage best practices

2013

MARCH-APRIL
- Direct Mail Mobile Coupon
- Click-to-Call

Registration
Jan 15 – Apr 30**
Promotion Period
Mar 1 – Apr 30

APRIL-JUNE
- Earned Value CRM/BRM

Registration
Jan 15 – Mar 31**
Promotion Period
Apr 1 – Jun 30

AUGUST-SEPTEMBER
- Emerging Technologies

Registration
Jun 15 – Sep 30 **
- Product Samples

Registration
May 1 – Sep 30**
- Picture Permit

Registration
Jun 1 – Sep 30**

Promotion Period (all)
Aug 1 – Sep 30

NOVEMBER-DECEMBER
- Buy-It-Now

Registration
Sep 15 – Dec 31**
Promotion Period
Nov 1 – Dec 31

**Planned dates

Earned Value Promotion CRM Tests

- USPS and two large mailers have been conducting tests to validate piece counts from Alternate Postage system (ALT-P)
- Test results:
  1. August, 500 test pieces with unique IMbs to one PO Box. 100% of test pieces were identified through ALT-P and counted
  2. September, we mailed 500 test pieces to two mailers' lockboxes in Atlanta. Counts were +/- 20% from mailer count. We made changes in the ALT-P counting logic
  3. September, CRM live mail test. Counts were +/- 6%.
  4. November, CRM live mail test. Counts were +/- 3%.

Next Steps:

- Add two mailers to the test in December
- Expand to additional locations

2014 Promotion Ideas

- **Color Promotion**
  - Supports First-Class Mail use of dynamic color
    - Billing/financial statements
    - FCM letters
  - Using color onsert to support messaging/advertising
    - Inserts not eligible
  - Discount applied at piece level at time of mailing
  - 3- 4 month program

Open Discussion