



# November 2024 Postal Update



Enru Logistics and Postal Optimization

# Postal Updates for November

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# FY24 Q4 AND YEAR-END NUMBERS RELEASED.

On November 14<sup>th</sup>, 2024, USPS published their FY24 Q4 and [Year-End 10-K](#) financials, this includes both volume and revenue reporting.

**Market Dominant Services (MD)** – includes First-Class mail, Marketing mail, Periodicals and Package Services, along with some special services and some international mail.

MD services account for about 58% of USPS operating revenue, and 93% of its volume.

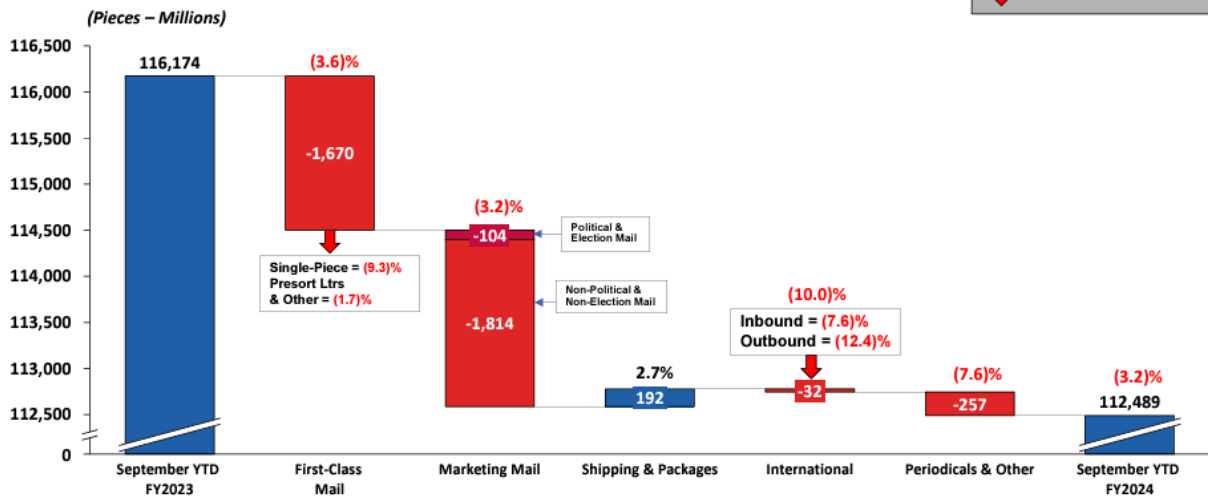
## Volume

Marketing Mail has experienced steep volume declines in recent years and its volume remains lower than pre-pandemic levels. Marketing Mail has been challenged by commercial mailers' increasing use of digital and mobile advertising and a higher inflationary environment affecting postage and print media production costs.

The Marketing Mail Flats, Carrier Route Flats and HD Flats categories each ended in double digit declines while letters were at just under 1% down for FY24.

Outside County Periodicals continue with the declining trend ending the year 10.9% down.

## FY2024 vs. FY2023 September YTD Volume



September YTD FY2024 has the same number of delivery days and 1.5 more retail days than September YTD FY2023.

<https://about.usps.com/who/leadership/board-governors/briefings/open-session-241114.pdf>

Below displays the Pieces by Classes and shape of Market Dominant Mail for both FY24 Q4 and Year in total FY24 with comparisons to SPY FY23.

(Data in Thousands)

Service Category	Quarter 4			Year over Year		
	FY 2024	FY 2023	Change	FY 2024	FY 2023	Change
<b>USPS Marketing Mail:</b>						
High Density Letters	917,147	704,860	30.1%	3,069,544	3,342,512	-8.2%
Saturation Letters	618,594	553,841	11.7%	2,460,649	2,258,364	9.0%
High Density Flats & Parcels	427,665	349,703	22.3%	1,459,552	1,804,078	-19.1%
Saturation Flats & Parcels	1,645,915	1,678,326	-1.9%	6,739,189	7,082,307	-4.8%
Carrier Route	855,953	830,668	3.0%	3,454,272	4,023,554	-14.1%
Letters	9,596,263	9,073,223	5.8%	37,804,077	38,116,703	-0.8%
Flats	472,263	524,962	-10.0%	1,935,108	2,226,933	-13.1%
Parcels	3,527	5,078	-30.6%	18,231	25,398	-28.2%
Every Door Direct Mail Retail	136,788	134,571	1.6%	583,365	555,570	5.0%
<b>Total USPS Marketing Mail</b>	<b>14,674,115</b>	<b>13,855,233</b>	<b>5.9%</b>	<b>57,523,987</b>	<b>59,435,419</b>	<b>-3.2%</b>
<b>Periodicals Mail:</b>						
In-County	121,680	113,631	7.1%	483,555	451,367	7.1%
Outside County	516,589	574,574	-10.1%	2,264,350	2,541,304	-10.9%
<b>Total Periodicals Mail</b>	<b>638,269</b>	<b>688,205</b>	<b>-7.3%</b>	<b>2,747,906</b>	<b>2,992,671</b>	<b>-8.2%</b>
<b>Package Services Mail:</b>						
Alaska Bypass	267	313	-14.7%	1,158	1,253	-7.6%
Bound Printed Matter Flats	25,553	28,417	-10.1%	119,054	114,829	3.7%
Bound Printed Matter Parcels	60,056	59,037	1.7%	223,842	226,422	-1.1%
Media and Library Mail	17,766	21,012	-15.4%	81,333	92,173	-11.8%
<b>Total Package Services Mail</b>	<b>103,642</b>	<b>108,779</b>	<b>-4.7%</b>	<b>425,389</b>	<b>434,676</b>	<b>-2.1%</b>

<https://prc.arkcase.com/portal/docket-search/daily-listings/filing-details/132800>

The Postal Service grew the Competitive products by 1.6% in FY24 Q4.

## Revenue and Losses

Operating revenue was \$79.5 billion for the year ended September 30, 2024, an increase of \$1.4 billion, or 1.7% compared to year prior. This was largely due to price increases in First-Class mail.

However, price increases were partially offset by the declining volumes.

Operating expenses increased \$4.1 billion or 4.8% compared to the prior year, partially due to interest rate impacts on workers compensation fair-value adjustments and inflationary impacts on retirement and compensation costs.

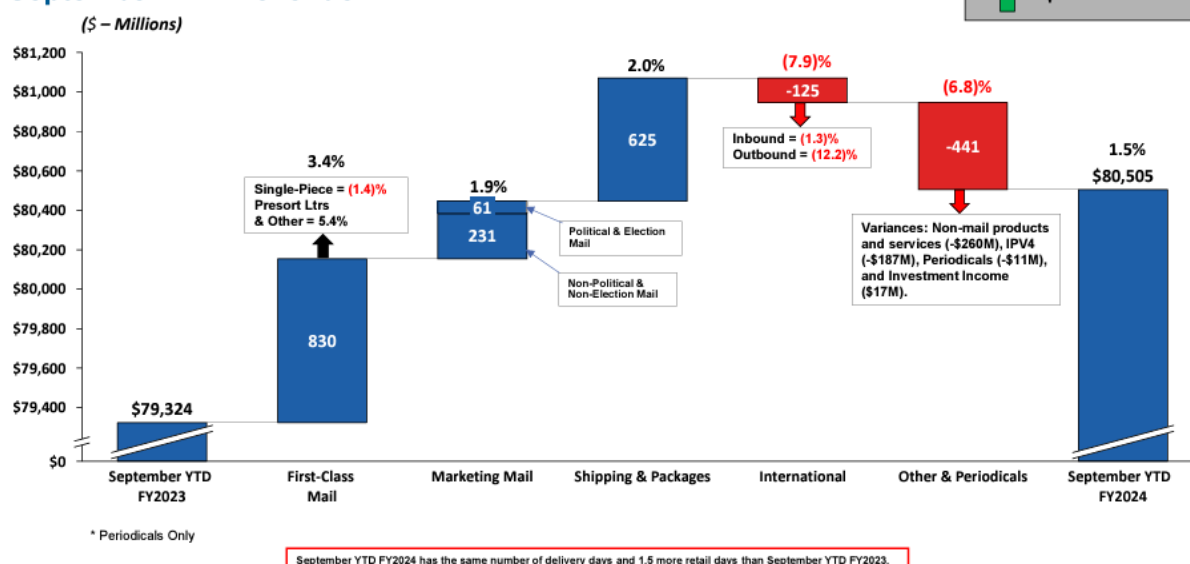
Overall, the USPS reported a net loss of **\$9.5 billion** for the year ended September 30, 2024, which is nearly a 50% increase over last year's loss of \$6.5 billion. Eighty percent of the agency's losses come from fixed costs including pension contributions and

workers' compensations claims. USPS notes that approximately \$3.1 billion of the increase was attributed to non-cash worker's compensation adjustments.

Losses from operational factors under USPS control were **\$1.8** billion in FY2024, which is down from over \$2.2 billion in FY2023.

	REVENUE		
	2024	2023	YoY change
First-Class	\$ 25,414	\$ 24,584	3.3%
Marketing Mail	\$ 15,373	\$ 15,081	1.9%
Periodicals	\$ 912	\$ 923	-1.2%
Shipping & Packages	\$ 32,260	\$ 31,635	1.9%
International	\$ 1,446	\$ 1,571	-8.6%
Other	\$ 4,132	\$ 4,392	-6.3%
(in millions )	\$ 79,537	\$ 78,186	1.7%

### FY2024 vs. FY2023 September YTD Revenue



<https://about.usps.com/who/leadership/board-governors/briefings/open-session-241114.pdf>

The Postal Service was able to **remove \$1.3 billion or 12.8%** of transportation expenses as compared to the year prior. Savings are also being realized with continued insourcing efforts.

(in millions)	2024	2023
Highway	\$ 6,020	\$ 6,555
Air	2,433	3,073
International	324	443
Other	38	40
<b>Total transportation expense</b>	<b>\$ 8,815</b>	<b>\$ 10,111</b>

## Financial Results

September YTD (12 Months)	FY	FY
(Billions)	2024	2023
<b>Revenue</b> <sup>1</sup>		
Mail	41.7	40.6
Packages	32.3	31.6
International and Other	6.5	7.1
<b>Total Revenue</b> <sup>1</sup>	<b>\$ 80.5</b>	<b>\$ 79.3</b>
<b>Controllable Expenses</b> <sup>1, 2</sup>		
Compensation & Benefits	55.7	54.4
FERS Normal Cost	4.9	4.8
Transportation	8.8	10.1
Depreciation	2.0	1.8
Supplies & Services	3.4	3.4
Rent, Utilities & Other	7.5	7.1
<b>Total Controllable Expenses</b> <sup>1, 2</sup>	<b>\$ 82.3</b>	<b>\$ 81.6</b>
<b>Controllable Income (Loss)</b> <sup>1, 2</sup>	<b>\$ (1.8)</b>	<b>\$ (2.3)</b>

<sup>1</sup> - September YTD FY2024 has the same number of delivery days and 1.5 more retail days than September YTD FY2023.  
<sup>2</sup> - Before Federal Employee Retirement System (FERS) and Civil Service Retirement System (CSRS) unfunded liability amortization payments and non-cash adjustments to workers' compensation liabilities.

## Financial Results

September YTD (12 Months)	FY	FY
(Billions)	2024	2023
<b>Total Revenue</b> <sup>1</sup>	<b>\$ 80.5</b>	<b>\$ 79.3</b>
<b>Controllable Expenses</b> <sup>1, 2</sup>	<b>82.3</b>	<b>81.6</b>
<b>Controllable Income (Loss)</b> <sup>1, 2</sup>	<b>(1.8)</b>	<b>(2.3)</b>
<b>Workers' Comp. Fair Value Adj. and Other Non-Cash Adj.</b>	<b>(2.2)</b>	<b>0.9</b>
<b>FERS Unfunded Liability Amortization</b> <sup>3</sup>	<b>(2.3)</b>	<b>(2.1)</b>
<b>CSRS Unfunded Liability Amortization</b> <sup>3</sup>	<b>(3.2)</b>	<b>(3.0)</b>
<b>Net Income (Loss)</b> <sup>1</sup>	<b>\$ (9.5)</b>	<b>\$ (6.5)</b>

<sup>1</sup> - September YTD FY2024 has the same number of delivery days and 1.5 more retail days than September YTD FY2023.  
<sup>2</sup> - Before Federal Employee Retirement System (FERS) and Civil Service Retirement System (CSRS) unfunded liability amortization payments and non-cash adjustments to workers' compensation liabilities.  
<sup>3</sup> - This represents the OPM amortization expense related to the FERS and CSRS unfunded liabilities.

<https://about.usps.com/who/leadership/board-governors/briefings/open-session-241114.pdf>

## Operating Cost Risks for FY2025

Union contracts arrived at either negotiation or arbitration could have significant adverse impact on USPS future results, especially ones with retroactive payments from years past, as will be expected when the NALC agreement is ratified.

Health and Pension benefit expenses are expected to increase with the rise in retirees and survivors who receive benefits. Under the [Delivering for America plan](#), the Postal Service is pursuing legislative reforms to their pension system that will provide them with more control and the ability to diversify their pension assets to allow market-based investments of retiree funds, increasing returns on investment, and reducing retirement-related expenses.

Fuel expenses are a material part of the operating costs so a significant increase would adversely affect costs.

### **Regulatory Risks for FY2025**

There are multiple open dockets with the Postal Regulatory Commission that based on the outcome can cause either positive and negative impact to USPS operations and costs.

Continued legislative efforts to stall the USPS modernization plans may impact USPS ability to realize savings from consolidations.

### **Forward Looking**

The Postal Service is projecting a \$6.9 billion net loss for FY2025. USPS is expecting growth in FY25 with \$82.9 billion in revenue, which is a \$2.4 billion increase from 2024. This growth is forecasted to come from its expanding package business.

USPS is asking Congress to raise its \$15 billion borrowing limit with the Treasury Department to keep making infrastructure upgrades.

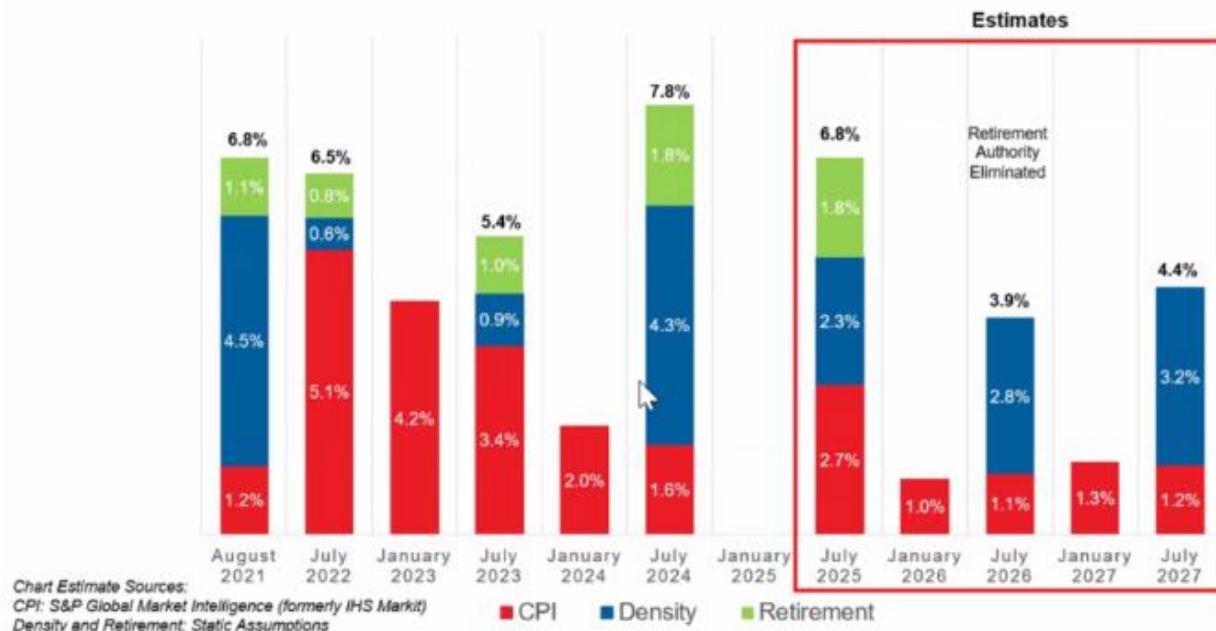
Efforts are still underway to adjust the way the Office of Personnel Management pays into the Civil Service Retirement System for federal employees who began government service before 1987. It is agreed by OIG, USPS, and Industry that the Postal Service is being made to overpay their share totaling billions that could be put toward operations.

The Annual Compliance Review (ACR) is an annually mandated report that itemizes USPS service levels, costs and pass-through of USPS products for their fiscal year. The Postal Service is required to submit their ACR to the PRC within ninety days of the close of the fiscal year. We should expect to see this filing by December 31<sup>st</sup>, 2024. The ACR will identify any products and classes that are non-compensatory and any workshare cells that are in non-compliance at under 85% or over 100% of USPS's avoided costs. These will signal to industry changes we should expect in workshare spreads in the July 2025 price change.



# NEW USPS GUIDANCE ON JULY 2025 POSTAGE

USPS has reworked the July 2025 forecasts to include the estimated 12-month CPI-U. These are approximations only and may be updated between now and the expected filing in early April 2025.



The July 2025 rate increase will be the last use of the additional retirement rate authority.

While the Market Dominant estimate is 6.8%-7.0%, remember that once annually USPS has an optional two percentage points to apply to non-compensatory classes (Periodicals) and they are mandated to increase the rate for products in compensatory classes that do not cover their costs (Media/Library Mail, Marketing Mail Flats and possibly Carrier Route Flats).

For budgeting purposes, I would forecast the below:

Marketing Mail Flats	8.8%
Marketing Mail Carrier Route Flats	*6.8% - 8.8%
Marketing Mail Letters	6% - 6.3%
First-Class	6.8%
Periodicals	8.8%
Bound Printed Matter Flats & Parcels	6% - 6.3%
Media / Library Mail	8.8%

*\*When the FY24 Annual Compliance Report (ACR) is released on December 29<sup>th</sup>, 2024, we will learn if Marketing Mail Carrier Route Flats costs meet 100% coverage, if so, they will not receive the additional 2% that MM presort flats do.*



## REGIONAL TRANSPORTATION OPTIMIZATION (RTO)

Currently mail is transported daily from processing centers to the 30,000+ post offices for in-home, businesses, and PO Box mail delivery by letter carriers. In the evening, this process is reversed with USPS picking up incoming mail from these locations and bringing it to processing centers for sortation for delivery to the destinating processing centers, to then sort to the local post offices for mail delivery.

The proposed system, RTO — eliminates the afternoon collection of mail and parcels. The day's mail is instead collected the next morning, while the mail from the processing center is dropped off at the post office.

The initiative will eliminate the end-of-day collection at post offices more than fifty miles from one of the nation's 59 Regional Processing & Distribution Centers. About half of the country's population will fall within an RTO zone.



Above from the [USPS OIG](#)

## USPS SERVICE STANDARD CHANGE PROPOSAL

### CHANGE TO STANDARDS AND MEASUREMENT OF USPS MAIL AND PACKAGES.

The Postal Service [submitted a filing with the Postal Regulatory Commission](#) (PRC) seeking an advisory opinion to modify its service standards and measurement process. The filing process complies with the statute and appeases congressional commitments made.

USPS does NOT need to follow the advisory response of the PRC once it is published at the end of January 2025. They are free to move forward with the proposed changes early 2025 regardless of the PRC findings. In fact, on November 14<sup>th</sup>, the Postal Service filed in the Federal Register a proposed rule on the service standard changes. FR Document: [2024-26434](#). The Proposed rule invites public comment to be received by December 31<sup>st</sup>, 2024, in writing to Director, Product Classification, U.S. Postal Service, 475 L'Enfant Plaza SW Room 4446, Washington, DC 20260-3436 or by email to [PCFederalRegister@usps.gov](mailto:PCFederalRegister@usps.gov).

It is expected that USPS will then release a final rule in the Federal Register for implementation not prior to February 2025.

The Postal Service has stated that these changes are a necessary part of the Delivery for America plan providing savings over the next ten years of approximately thirty-five billion dollars helping the USPS become a self-sustaining federal agency.

The Postal Service states that this initiative will “increase throughput, gain productivity, and increase asset utilization across the country.” The savings gained will be made by implementing the Regional Transportation Optimization (RTO) initiative on a nationwide basis. The Postal Service states that the RTO initiative will “improve the efficiency and velocity of the processing network.”

**Table 1**  
**Estimated Annual Cost Savings by Category**

Category	Estimated Annual Cost Savings
Regional Transportation	\$651 million
Network Transportation	\$1.8 billion (\$1.1 billion from surface transportation and \$701 million from air transportation)
Mail and Package Processing	\$1.1 - \$1.2 billion
Facilities	\$81 million

Below details are from [Order No. 7695](#)

The plan changes are broken out into three operational legs applicable to the movement of mail and packages: collection to origin processing (Leg 1), origin processing to destination processing (Leg 2), and destination processing to delivery (Leg 3).

The biggest change will be leg 1, which will provide processing improvements in leg 2. There are no planned changes to leg 3.

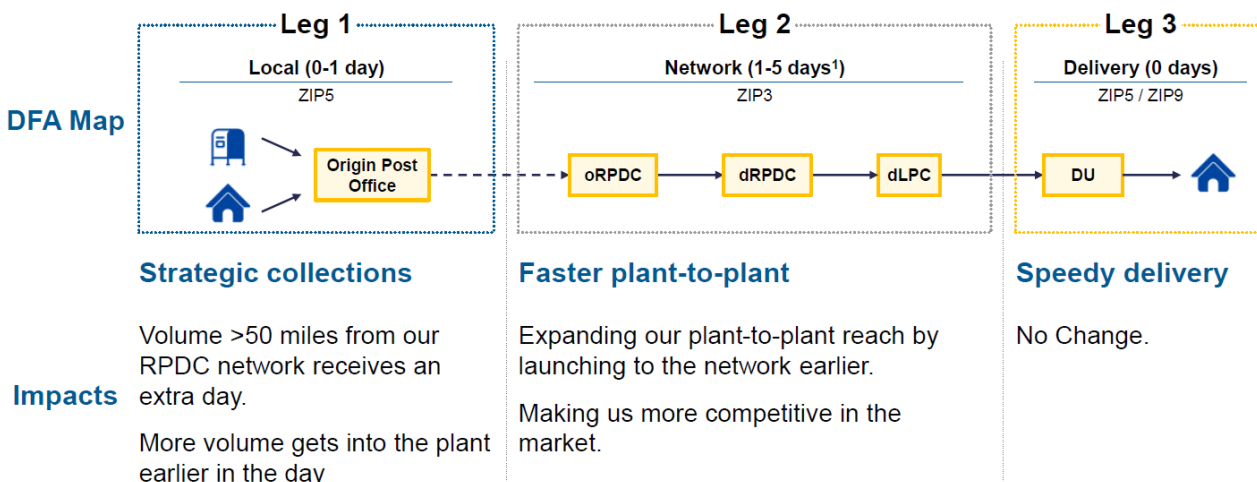
The proposed service standards “will be based on how many days cumulatively apply to a particular mailpiece across the three operational legs.

**For Leg 1**, the Postal Service will “align our standards with RTO” and apply 1 day to pieces that “originate in a 5-Digit ZIP Code more than 50 miles from the RPDC, meaning RTO is being applied, and 0 days will apply to pieces originating in other 5-Digit ZIP Codes.”

Will not apply to destination entered mail or Presort First-Class Mail.

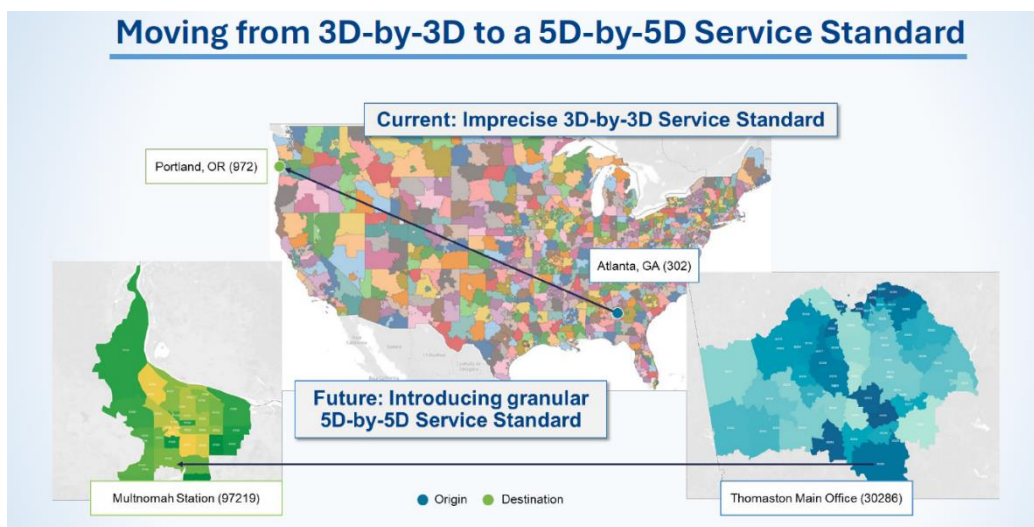
**For Leg 2**, the Postal Service will “apply [2-5] days based on the travel distance between the originating and destinating processing plants” using the new network outlined above. The transit paths will be updated to reflect the new network and “measure the distance between the Origin RPDC and the Destination RPDC and then the distance between the Destination RPDC and the Destination LPC.”

**For Leg 3**, No changes proposed.



## SERVICE MEASURMENT

Today the service performance is measured and reported at a 3-Digit to 3-Digit ZIP Code level. The postal service is proposing to change this to 5-Digit ZIP to 5-Digit ZIP. This change will require a matrix of thousands of entries. The measurement will also change to not include Holidays, or Sundays when mail is entered on a Saturday or the day before a holiday.



## SERVICE PERFORMANCE

For First-Class Mail and USPS Ground Advantage, the postal service states that service will remain at 1 to 5 days, but there will be shifts of volume within those measurement groupings.

Marketing mail entered end-to-end (origin) will follow a First-Class + 2 day, which reduces the current longest continuous US standard for Marketing mail from **10 days to 7 days**.

Periodicals will see some changes end-to-end as well. Some zips will fare better than others.

There is no planned change to service standards for destination entered mail.

Below identifies at a class level the percentage of mail that will see delayed service, upgrade service, or no change from current service level.

**Table 2**  
**Estimated Volume Changes under Proposed Service Standards**

Products	Estimated % of Volume Change
All Market Dominant Products	83% unchanged, 11% upgraded, 6% downgraded
First-Class Mail	75% unchanged, 14% upgraded, 11% downgraded
Marketing Mail	90% unchanged, 8% upgraded, 2% downgraded
Periodicals	93% unchanged, 4% upgraded, 3% downgraded
Package Services <sup>4</sup>	79% unchanged, 12% upgraded, 9% downgraded

The postal service eventually will publish a dashboard for users to enter originating and destinating 5 Digit ZIP Codes to view the service expectations. In the meantime, the [Save the Post Office](#) website provides a service calculator so that you can check impact to mail you send from your ZIP Code.

First, enter the origin 5-digit ZIP in the search box (and hit "enter" or "return" on your computer). The Finder will indicate if it is an RTO office or not, and it will provide the first three digits for the RPDC. Second, enter the RPDC ZIP3 and the 3-digit ZIP for the destination.

Service Standard Finder

Search:

ZIP	RTO	RPDC
33912	YES	336

Search:

oRPDC-dZIP3	Current	Proposed Not RTO	Proposed RTO
601-600	2	2	3

Service Standard Finder

Search:

ZIP	RTO	RPDC
60490	NO	601

Search:

oRPDC-dZIP3	Current	Proposed Not RTO	Proposed RTO
381-380	2	2	3

## NETWORK MODERNIZATION UPDATES

Within the Operational and Service Standard Changes Related to the Delivering for America Plan, 2024 [Docket N2024-1](#) (USPS request for advisory opinion on Service Standard change) the Postal Service supplies the [current planned final state](#) of Local Processing Centers (LPC) and Regional Distribution Centers (RPDC).

Some LPCs might be co-located with RPDCs and some RPDC operations might be located “in a single building or a campus of two or more buildings” based on what the Postal Service determines is most efficient and cost-effective.

The final vision includes **fifty-nine RPDCs, one hundred and ninety-six LPCs, of which twenty-six will be co-located** within an RPDC, bringing the total **free standing location number to two hundred and twenty-nine.**

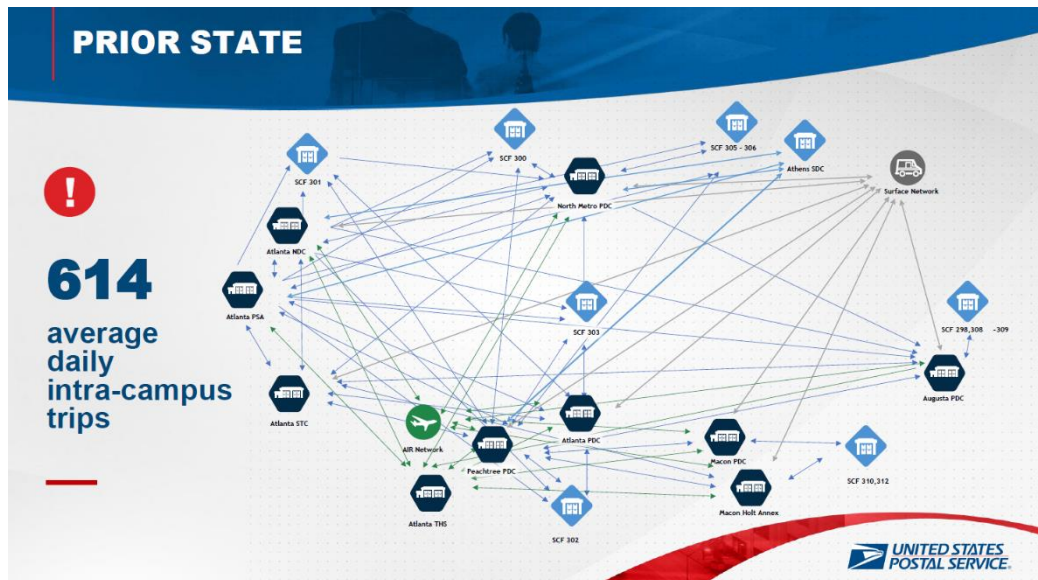
RPDCs will manage “the flow of mail and packages that originate or destinate in that region.” They will “perform originating sortation operations for letters, flats, and packages to the 3-digit ZIP Code level, for dispatch to the rest of the country.” They will also “engage in cross-docking and sortation operations for destinating letters, flats, and parcels for dispatch to an LPC.” Finally, they will “serve as intermediate consolidation points for volume that is traveling across the country (known as Regional Transfer Hub (RTH) operations).” The RTH was formally called the Go East Go West initiative.

LPCs will be designed to “handle destinating letter, flat, and package sortation operations for designated 3-Digit ZIP Codes within a region, for dispatch to Sorting and Delivery Centers (S&DCs) and delivery units.” Some LPCs might “sort and/or cross-dock carrier route bundles of flats to S&DCs and delivery units” or perform “certain originating operations” as designated by the Postal Service.

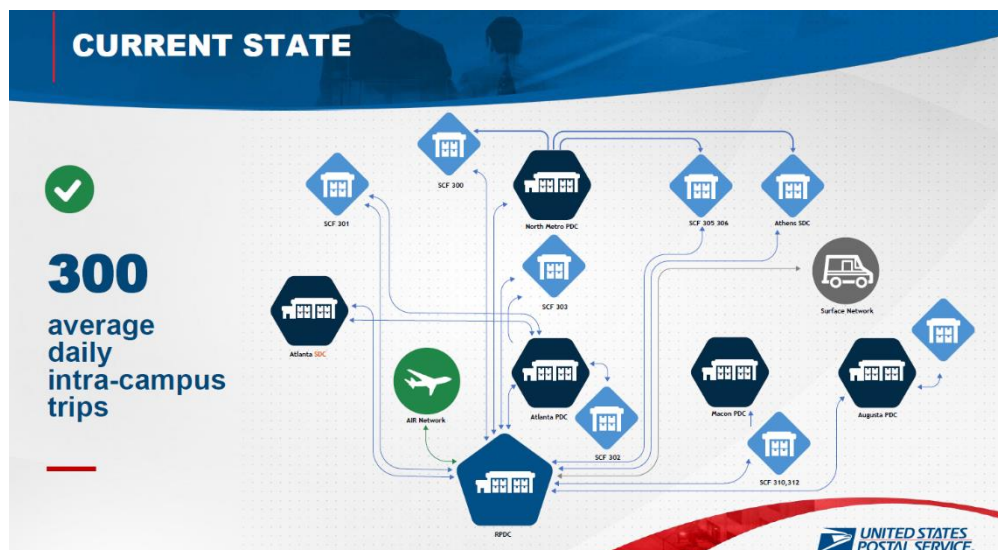


There is not a final vision plan of Sorting and Delivery Centers (S&DCs) published, but we do know as of February 2025 the count will be 95 S&DCs, 267 spokes with 10,068 total routes, covering 7,108,113 delivery points.

Below provides a visual of the prior state of the Atlanta area before the conversion of multiple facilities, insourcing of the THC (air network handling) and the change to processing, this required an average of 614 daily trips.



The current state shows realized transportation savings now with an average of 300 daily trips.



## USPS SHIP REQUIRED FOR FEBRUARY 2025

As reminder the federal register notice states that all eVS shippers must migrate to USPS Ship by February 2025. USPS is hosting Bi-Weekly webinars on Wednesdays at

1pm EST beginning with November 6<sup>th</sup>. The URL is below, no registration is required:  
<https://usps.zoomgov.com/j/1613211624?pwd=XfCNbXZiCDD6NbpfDPAEqee7kma4qG.1>

All current users are being enrolled in the parallel pilot by USPS, but shippers must work with USPS to enroll in live Ship.

## eVS to USPS Ship Transition and Pilot process

Effective February 1, 2025



There are new reports in USPS Ship to provide the same data as eVS, but in new format so require testing and programing if you are ingesting into systems.

## eVS/USPS Ship Report Comparison

**Reports Menu**

- [Carbon Accounting Statement](#)
- [Content Eligibility Sampling Report](#)
- [DDU Confirmation Services Mis-shipped Report](#)
- [Destination Entry Eligibility Report](#)
- [Duplicate PICs Report](#)
- [eVS IMpb Noncompliance Report \(Download\)](#)
- [eVS Monthly Account and Sampling Summary page](#)
- [Manifest Confirmation Report](#)
- [Manifest Summary Report](#)
- [Manifest Error Report](#)
- [Missing Manifest Summary Report](#)
- [Postage Discrepancy Report](#)
- [Postage Statement Summary](#)
- [Presort Eligibility Exception Report](#)
- [Sampling Reports](#)
- [Unmanifested Records Report](#)

Report Date: 10/21/2024

eVS - Reports

**Reports -**

- [Assessed Verification](#)
- [Carbon Summary](#)
- [Census Verification](#)
- [Duplicates Report](#)
- [IMpb Non-Compliance Report](#)
- [Manifest Search Report](#)
- [Manifest Summary](#)
- [SQA Sampling Summary Report](#)
- [Transaction Details Report](#)
- [Unmanifested Report](#)
- [Unused Labels](#)
- [Variance Report](#)

USPS Ship - Reports

## UPDATES FOR 2025 USPS PROMOTIONS

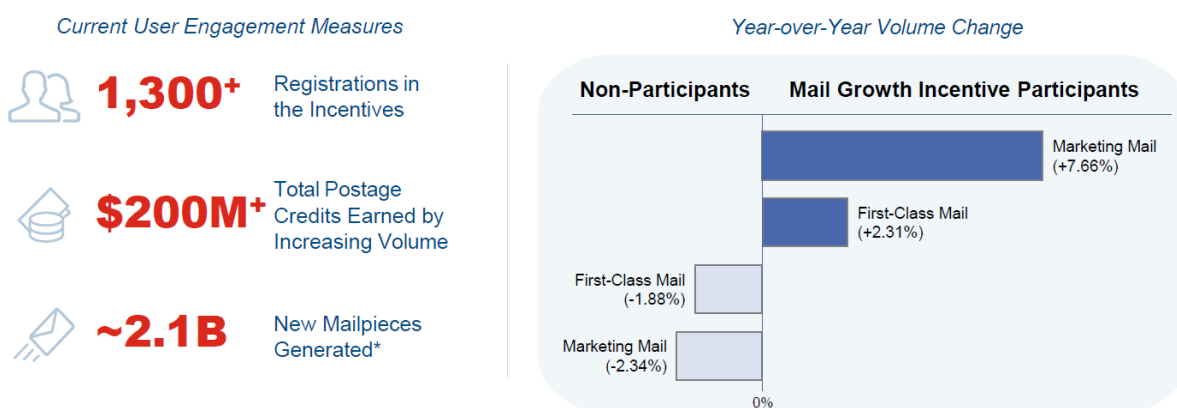
The Postal Service inferred that for 2026 we should expect a “rinse and repeat” of the 2025 promotions. This gives mailers the advance notification to program as needed or amend future campaign plans. The 2026 promotions should be filed with the July 2025 rate increase filing expected early April 2025.



## MAIL GROWTH INCENTIVES

USPS submitted the 2025 Mail Growth Incentive with the PRC in a way that establishes it as an “incentive” that does not have a time limited use. This means that they can continue the Mail Growth each year without having to seek regulatory approval, like the Catalog, Seamless, Full Service, Marriage Mail Incentives that remain each year until USPS cancels them.

For 2024 over 290 businesses have already earned 30% postage credits with the Mail Growth Incentives.



For 2025 remember that registration opens early November 2024 and will remain open until June 1<sup>st</sup>, 2025. A Mail Owner can only complete registration, MSPs cannot complete this for mailers.

## USPS WEBINARS

A USPS [video of part one](#) in a two-part series is available for viewing along with the [part two video](#).

All the [Guidebooks](#) are approved and ready for download, along with the calendar.

A new [FAQ on 2025](#) Promotions has been posted to PostalPro with seven pages of frequently asked questions along with their answers.

## PROMOTION PROCESS ENHANCEMENTS

- Informed Delivery: Campaigns can now be submitted or in active status in MCP at least 4 hours (6 hours for RMB jobs) before the job is uploaded to PostalOne!

- Emerging & Advanced Technology: Ability to create new CRID Groups and add/delete CRIDs from CRID groups when the unique promotion period has not begun.
- Informed Delivery Add-On: Mailers will be able to submit campaigns via Mailing Promotions Portal (MPP). [Instructional video](#) on demand on PostalPro.

## 2025 CALENDAR



## PRE-APPROVAL PROCESS

The Postal Service has accelerated the timeline for the pre-approval process for the Sustainability add on and the Tactile, Sensory, and Interactive (TSI) promo. This will allow mailers to submit certifications and treatment options earlier so they can be assured of qualification.

- Sustainability – opened October 25<sup>th</sup>, 2024.
- TSI – opened November 15<sup>th</sup>, 2025.

## SUSTAINABILITY

The Postal Services has identified five organizations that have certifications which will qualify for the sustainability 1% add on discount. This is not an all-comprehensive list; others may still qualify as well. USPS has [posted a presentation](#) on Sustainability.

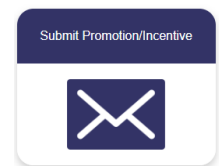
The current known accepted ones are:

- Forest Stewardship Council – FSC Certification and/or Chain of Custody
  - <https://FSC.org/en>
- Sustainable Forestry Initiative – SFI Certification and/or chain of Custody

- <https://forests.org>
- Program for the Endorsement of Forest Certification – PEFC Certification and/or Chain of Custody
  - <https://pefc.org>
- Bureau Veritas - Certification and/or Chain of Custody
  - <https://group.bureauvertias.com>
- SCS Global Services - Certification and/or Chain of Custody
  - <https://www.scsglobalservices.com>

The Postal Service is allowing multiple options for presenting proof of sustainability to be eligible for the 1% add on discount. Remember though you can only do an add on if also participating in another promotion.

By knowing these five now you can be confident in purchasing paper for 2025 mailings, but you will still be required to follow the Submit Promotion/Incentive process in the Mailing Promotions Portal.



Below is example of what can be submitted for that process

USPS is going to be creating and releasing a training video on using the Mailing Promotions Portal (MPP) for Sustainability.

If using one of the pre-approval certifications and planning to print the logo on the piece you do not need to submit the certification through the promotion portal, but you do need to upload your job detail and identify which certification you will use with the logo on the piece.

Sustainability – No certification, but logo is present on piece



## Sustainability – Certificate and logo on piece



If providing the certificate through MPP you will not be required to print the logo on the mailpiece.

## Sustainability – Certification provided, no logo on piece

### FSC CERTIFICATION RECORD



License Code:	FSC-C023838
Certificate Code:	TT-COC-002292
Old certificate code:	N/A
Primary Certificate Holder	
Company Name:	A Edmonds & Co Ltd
Local Name:	A Edmonds & Co Ltd
Address:	91 Constitution Hill-B19 3JY United Kingdom-West Midlands
Website:	www.edmonds.uk.com
Certification status:	Valid
Date of first issue:	Feb 19, 2007
Last status update:	Mar 26, 2022
Expiry date:	Mar 25, 2027
Certified Forest Area:	N/A
Standards assessed:	FSC-STD-40-004 V3-1
Due diligence system for FSC controlled wood:	No
Produce	
Products, Species and product category details	
PRODUCT CATEGORY:	
W5 Solid wood (sawn, chipped, peeled)	



The Postal Service is also accepting an invoice of certified paper, as well as a chain of custody certificate as proof if not printing the logo on the mail piece.

No certification logo on piece, no certification

Invoice will be accepted with Certification information, purchaser information and on company letterhead

ITEM	QUANTITY	U/M	DESCRIPTION	PRICE	U/M
133074	16,000.00	SH	24 X 36 332M (100) (9PT) (270 GSM) White Gloss Finish ANTHEM PLUS COVER Press Ready Skids 4000SH+SK FSC MIX CREDIT 299476 PO 473602		MS
133074	32,000.00	SH	24 X 36 332M (100) (9PT) (270 GSM) White Gloss Finish ANTHEM PLUS COVER Press Ready Skids 4000SH+SK FSC MIX CREDIT 299476 PO 473602 mpx 35 IN01753983 12,000 sheets		MS
Subtotal:				\$1	

NC-COC PEN-SFT-COC BN-PFC-COC  
ROLLS - WESTSIDE DOCK 3-3/  
SHEETS - EASTSIDE DOCK 4-5  
\*\*\* ALL PO'S MUST BE PACKED SEPARATE \*\*\*

## Chain of Custody



SCS Global Services does hereby certify that an independent audit has been completed and conformity to the applicable standard(s) has been confirmed for:

**Dot Direct**

9700 Toledo Way, Irvine, 92618, United States

This single site certificate covers the production of printed materials using the transfer system.

The facility(s) are hereby Chain of Custody certified to sell products as:

**FSC Mix**

The assessment has been conducted by SCS Global Services in accordance with the protocols of the Forest Stewardship Council® A.C. (FSC®).

FSC Standard: FSC-STD-40-004 V3-1, FSC-STD-50-001 V2-1

Certificate Code: SCS-COC-010100

Trademark License Code: FSC-C193572

Valid from: 2023-12-19 Expiry date: 2028-12-18

This document does not constitute evidence that a particular product supplied by the certificate holder is sourced from FSC Controlled Wood where applicable. Products offered, shipped or sold by the certificate holder are not guaranteed to be sourced from FSC Controlled Wood where applicable. The scope of this certificate is considered accurate on the date of issuance. The current validity of this certificate can be verified on the website: <http://fsc.org>. The certificate shall remain the property of SCS, and this certificate and all copies or reproductions of this certificate shall be returned to SCS immediately upon request. Where a certificate covers more than one site, the covered products and processes activities are performed by the network of participating sites, and not necessarily by each of them.

**SCS**global  
SERVICES

Maggie Schwartz, Vice President, Program Development  
SCS Global Services  
2000 Powell Street, Ste. 600, Emeryville, CA 94608 USA



The mark of  
responsible forestry



## CONTINUOUS CONTACT

The [Continuous Contact promotion](#) which runs April 1<sup>st</sup> through December 31<sup>st</sup> is for Marketing Mail letters and flats designed to target a recipient with multiple mailings generating the potential to increase conversion rates.

Through this promotion, participants receive a 3% discount for sending follow-up mailings that repeatedly deliver qualifying USPS Marketing Mail® to the same address.

These repeated mailings must complement or build upon (but not duplicate) the initial mailing.

The first mailing must be between the promotion period but is not eligible to receive a promotion or add on discount. The mail pieces must be identified in that mailing as the initial mailing by using the CCR type of C (content) and CCR code of CC.

Future mailings must identify that they are follow-up mailings with a CCR type of I (incentive) using the same CCR code of CC. This will apply the discount to these pieces.

- **CCR Code:**



On November 12<sup>th</sup>, the Postal Service announced that “After careful consideration, we have determined that 90% of the follow up mailings should match the original mailing, with a permissible variance of up to 10%. This adjustment addresses concerns related to the handling of separate postage statements. The postage submitter is responsible for ensuring the validity of the mailings as the USPS conducts audits up to 90 days following the end of the promotion. The submitter is required to maintain proper documentation for a minimum of 90 days after the promotion to ensure compliance with all applicable regulations.” If greater than 10% of delivery points on follow up mailings are new, then separate postage statements must be submitted.

## USPS LABOR UNION NEGOTIATIONS

USPS and the NALC have reached a tentative agreement, but it is yet to ratify. This agreement is seeing more support for a NO vote than the last several contracts negotiated with USPS unions.

If the union membership does not vote yes this will go to binding arbitration.

### The agreement includes:

- Cost of living adjustments throughout the contract
- Three 1.3% raises, with two applied retroactively
- The no-layoff clause that protects letter carriers after six years of service as a career employee is retained

- The existing prohibitions against contracting out of city carrier work would be continued for the duration of the 2023-2026 agreement.

## PRINTING PAPER UPDATE

At the October MTAC meeting Greg Lovensheimer, President of Millcraft shared a truly relevant and timely update on the state of the Paper Market.

Below are the key points and insights:

### Industry Overview:

- **Current State:** The industry is balanced, but any changes in demand or supply can be disruptive.
- **Demand Trends:** Graphic paper demand remains in secular decline, with a 2.8MM ton decrease since 2022.
- **Supply Adjustments:** Significant capacity reductions have been made to align with demand, including shutdowns and conversions to other products like linerboard.

### Market Dynamics:

- **Uncoated Freesheet (UFS):** More balanced with imports making up ~11% of the supply.
- **Coated Freesheet (CFS):** Requires significant imports (~35%) to meet demand.
- **Potential Disruptions:** A potential East Coast port strike could significantly impact paper availability, especially for CFS and UFS grades.
  - **They reached a tentative agreement that expires on January 15<sup>th</sup>, 2024. While the agreement has a sizeable wage increase, there is still a major issue unresolved as related to Port Automation.**
    - **36 Ports from ME to TX which is 43% of all US imports could be impacted.**

### Regulatory Impact:

- **EU Deforestation Regulation (EUDR):** New regulations will require due diligence for pulp and paper products, potentially increasing compliance costs by \$40-\$230 per ton.

### Strategic Recommendations:

1. **Plan & Communicate:** Maintain strong supply chain partnerships and share forecasts.



2. **Flexibility:** Be adaptable with brands, basis weights, sizes, and other specifications.
3. **Inventory Management:** Carry buffer inventory to manage seasonal and unexpected demand.
4. **Risk Mitigation:** Develop plans to address potential disruptions, including regulatory changes and supply chain risks.

#### Opportunities:

- Continued reduction of grade complexity.
- Focus on sustainable supply chain partners.
- Be prepared for additional capacity removals but manage them effectively.

The industry is currently balanced, but vigilance is required to manage potential disruptions and regulatory impacts. Effective planning and strong partnerships will be key to thriving in this environment.

## MTAC RESTRUCTURE

Beginning with the January 2025 meetings MTAC will make the Tuesday open session “open” to MTAC members only, and approved guests. Each association and MTAC leader may allow up to three annual guest passes.

MTAC will continue to have a virtual component. You will need to register in advance to attend or receive a link for virtual attendance.

You still may participate in User Groups/Work Groups as a nonmember, but all future additions will require MTAC executive Committee approval.

The focus area names, structure and USPS leaders will be changing in 2025.

CURRENT STATE	FUTURE STATE
<b>Entry, Payment, Product</b> <b>Leaders:</b> Margaret Pepe, Angela Lawson	<b>Payment &amp; Product</b> <b>Leaders:</b> Margaret Pepe, Angela Lawson
<b>Service Precision</b> <b>Leaders:</b> Tony Impronto, Fontell Peart, Tim Haney, Sukhdev Uppal	<b>Operations Integration &amp; Performance Excellence</b> <b>Leaders:</b> Greg White, Randy Workman
<b>Data, Technology &amp; Addressing</b> <b>Leaders:</b> Steve Dearing, Gary Reblin	<b>Data, Technology &amp; Addressing</b> <b>Leaders:</b> Steve Dearing, Gary Reblin, Angela Lawson (Earl Johnson)

## FY24 Q4 SERVICE PERFORMANCE

## Marketing Mail

National Destination Entry mail achieved 95.3% on time in FY2024 Quarter 4, which is 0.2 points lower than the same period last year, and 2% lower than target.

For Destination Entry mail, 99.2% was delivered within service standard plus three days.

### Marketing Mail

District	Destination Entry	End-To-End
	Percent On Time	Percent On Time
Atlantic Area	96.1	93.4
Central Area	95.1	91.7
Southern Area	93.2	90.7
Westpac Area	96.9	94.6
Nation FY2024 Q4	95.3	92.6
Nation FY2023 Q4 (SPLY)	95.5	93.7
FY2024 Annual Target	94.62	94.62

## Periodical

National Periodicals' service performance was 84.5% on time, which is 1.5 points lower than the same period last year, and 2.8% lower than target. Periodicals do not report based on destination entry or end-to-end local entry, rather all volume is aggregated.

In FY2024 Q4, 92.1% of Periodicals were delivered within the service standard plus one day, 95.2% within the service standard plus two days, and 96.7% within the service standard plus three days.

### Periodicals

Area	Percent On Time
Atlantic	85.5
Central	82.6
Southern	80.4
Westpac	90.7
Nation FY2024 Q4	84.5
Nation FY2023 Q4 (SPLY)	86
FY2024 Annual Target	87.29

## First-Class

FY2024 Q4, national Single-Piece First-Class Mail® Two-Day performance was 85.9% on time, which is a 4.9-point decrease over the same period last year. The National Three-To-Five Day performance was 78.8% on time, which is a 4.6-point decrease over the same period last year, and 11.5% lower than target.

National Presort First-Class Mail® Overnight performance in FY2024 Q4 was 93.7% on time, which is 1.3 points lower than the same period last year, and 2.9% below target.

Nationally, at least 97.3% of mail across all service standards was delivered within the service standard plus three days in FY2024 Quarter 4.

Single Piece First-Class	Overnight	Two Day	Three-Five Day
Nation FY2024 Q4	NA	85.9%	78.8%
Nation FY2023 Q4 (SPLY)	NA	90.8%	83.4%
FY2024 Annual Target	NA	93.0%	90.3%

Presort First-Class	Overnight	Two Day	Three-Five Day
Nation FY2024 Q4	94%	92.6%	90.9%
Nation FY2023 Q4 (SPLY)	95%	93.8%	92.0%
FY2024 Annual Target	95%	95.0%	93.0%

<https://about.usps.com/what/performance/service-performance/>

## SERVICE STANDARDS FOR MARKET DOMINANT MAIL

The Postal Service [submitted a filing with the Postal Regulatory Commission](#) (PRC) under docket N2024-1 seeking an advisory opinion to modify its service standards and measurement process. The filing process complies with the statute and appeases congressional commitments made.

This docket has elicited multiple interveners submitting requests for information and participation in technical conferences.

The PRCs schedule concludes with them releasing their Advisory Opinion on January 31<sup>st</sup>, 2025.

The USPS does NOT need to follow the advisory response of the PRC once it is published. They are free to move forward with the proposed changes in early 2025 regardless of the PRC findings

On November 14<sup>th</sup>, 2025, they made it clear they plan to move forward with the publication in the Federal Register of a proposed rule on the service standard changes. FR Document: [2024-26434](#). The Proposed rule invites public comment to be received

by December 31<sup>st</sup>, 2024 in writing to Director, Product Classification, U.S. Postal Service, 475 L'Enfant Plaza SW Room 4446, Washington, DC 20260-3436 or by email to [PCFederalRegister@usps.gov](mailto:PCFederalRegister@usps.gov) .

It is expected that USPS will then release a final rule in the Federal Register for implementation not prior to February 2025.

## USPS BOARD OF GOVERNORS

At the November 14<sup>th</sup>, 2025, BOG open meeting the Board announced a change to leadership. Chairman Marteniz who would be entering his hold over year as of December 8<sup>th</sup> will be leaving. Current Vice Chair Governor Amber McReynolds has been elected as the new Chair. Governor Derek Kan will become the new Vice Chair.

Governor Anton Hajjar will end his hold over year this December, leaving the board with four vacancies. The Homeland Security & Governmental Affairs Committee [held a hearing on November 14<sup>th</sup>](#) to consider the nominations of three individuals to fill the open seats.

Current nominees are

- Val Demings (D) former U.S. Representative, and Orlando Police Chief
- William Zollars (R) former CEO of YRC Worldwide
- Gordon Hartogensis (R) former Director of Pension Benefit Guarantee Corporation.

The [White House announced](#) on November 14<sup>th</sup> that the nomination of Marty Walsh (D) former U.S. Secretary of Labor and former Boston mayor was withdrawn from consideration for BOG, now leaving an open seat for incoming President Trump to fill. No reason was stated for the withdrawal.

## FLAT BUNDLE FEDERAL REGISTER NOTICE (FRN)

The release of a final FRN is still in the works. USPS has stated that engineers are still compiling findings from testing that took place with TAPPI drums in Merrifield VA over the last two months. The TAPPI drum testing is in place to simulate the current handling process of flat bundles on sorting equipment.

At Octobers MTAC the product classification manager stated the new implementation date will be early 2025. There has been no confirmation of what will be included in the final FRN, only that this is phase I with an expected phase II roll out to follow later.

## CHANGES TO THE USPS LABEL LISTS

The US Postal Service is moving to a simpler Labeling List framework based on a shape-based, standardized foundation including alignment of internal (NDLL) and external (EELLS) Lists.

Currently the label lists employ a class-based, multi shape framework with random nomenclature.

To prepare for these changes USPS has been adjusting multiple label lists over the last few months to allow for the removal of duplicate lists in 2025.

The lists that will be removed between March and June of 2025 are the **L003**, **L011**, and **L801**.

L005 will be used for Letters in place of **L003** and **L801**  
L004 will be used for Flats in place of the still active L005  
L009 will be used for Letters in place of the **L011**

With the January publish date, effective February lists all will be aligned to be interchangeable. Beginning on January 19<sup>th</sup>, 2025, users may use either of the two lists identified as matching.

Many will find it simpler to begin that use date as the first of the month, February 1st.

USPS will continue to publish both sets of lists through March publish effective April.

On April publish effective May USPS will still publish the obsolete list for export but it will be blank.

With the May publish, effective June lists the obsolete L003, L011, and L801 will no longer be there.

# NATIONAL POSTAL FORUM 2025

Registration has opened for the 2025 NPF to be held in Nashville TN at the Gaylord Opryland Convention Center April 27<sup>th</sup> – 30<sup>th</sup>. This year's theme is Leading Forward, Elevating Performance and Delivering for America. Early bird pricing is available through January 3<sup>rd</sup>, 2025.

The tracks for 2025 include:

- Driving Mail Growth with cutting-edge Innovations
- Shipping Solutions for a Greater Advantage
- Data, Technology, and visibility for Tomorrow's Competitive Advantage
- Professional Growth through Strategic Leadership
- Operational Excellence from Mail Setup to Delivery



## USPS HOLIDAYS

The 2024 [Holidays and Events](#) that USPS observes with no In-Home Mail delivery are.

- Monday November 11<sup>th</sup>, Veterans Day
- Thursday November 28<sup>th</sup>, Thanksgiving Day
- Wednesday December 25<sup>th</sup>, Christmas Day

There are eleven federal holidays in 2025 that USPS observes

- Wednesday January 1<sup>st</sup>, New Years Day
- Monday January 20<sup>th</sup>, Martin Luther King, Jr. Birthday
- Monday February 17<sup>th</sup>, Presidents' Day
- Monday May 26<sup>th</sup>, Memorial Day
- Thursday June 19<sup>th</sup>, Juneteenth National Independence Day
- Friday July 4<sup>th</sup>, Independence Day
- Monday September 1<sup>st</sup>, Labor Day
- Monday October 13<sup>th</sup>, Columbus Day
- Tuesday November 11<sup>th</sup>, Veterans Day
- Thursday November 27<sup>th</sup>, Thanksgiving Day
- Thursday December 25<sup>th</sup>, Christmas Day

## INDUSTRY & USPS UPCOMING EVENTS

- Winter Mailers Technical Advisory Committee ([MTAC](#)) Jan 14<sup>th</sup> – 15<sup>th</sup>, Washington DC
- Winter Package Shippers Association ([PSA](#)) Jan 28<sup>th</sup> – 30<sup>th</sup>, Orlando FL
- Annual National Association of Presort Mailers ([NAPM](#)) conference, Feb 11<sup>th</sup> – 13<sup>th</sup>, St. Pete's Beach FL
- Spring Delivery Technology Advocacy Council ([DTAC](#)) Mar 4<sup>th</sup>-5<sup>th</sup>, Sarasota, FL
- Spring Mailers Technical Advisory Committee ([MTAC](#)) Mar 11<sup>th</sup> – 12<sup>th</sup>, Washington DC
- National eTailing and Mailing Organization of America ([NEMOA](#)) Spring Summit, Apr 1<sup>st</sup> – 3<sup>rd</sup>
- National Postal Forum ([NPF](#)) Apr 27<sup>th</sup> – 30<sup>th</sup>, Nashville, TN

For any questions on these or other postal topics please address to [postaloperations@enru.io](mailto:postaloperations@enru.io)