

## U.S. Postal Service to Change Shipping Prices in January

*New Annual January Price Change Consistent with Industry Practices*

The Postal Service announced that Pricing for shipping services will change on Sunday, Jan. 18, 2009 following a vote by its Board of Governors.

*"The move to annual January price changes for shipping services products is consistent with industry-wide practice, and provides a clear picture of the competitive, affordable prices the Postal Service offers," said Robert Bernstock, President, Mailing and Shipping Services.*

Prices will change on Sunday, Jan. 18, for Express Mail, Priority Mail, Parcel Select, Parcel Return Service and some international shipping products. Overall, shipping services prices will increase an average of 5 percent. The new prices are available at [www.usps.com/prices](http://www.usps.com/prices) (click "New Shipping Prices" box).

*"The new prices are very competitive within the shipping industry and reinforce the value Postal Service pricing offers our customers," Bernstock said. "As always, the Postal Service does not impose fuel surcharges, hidden surcharges or surcharges for residential delivery or Saturday delivery."*

New for 2009 is **Commercial Plus** pricing, an extraordinary value for high-volume Express Mail and Priority Mail users. New Commercial Plus prices for Express Mail are 14.5 percent less than retail on average, and for Priority Mail 7 percent less than retail on average.

*"Commercial Plus is a tiered pricing option designed with larger shippers in mind," said Gary Reblin, Vice President, Expedited Shipping. "It's a very competitive offering for commercial customers — lower prices that will reward them for shipping higher volumes with the Postal Service."*

The Postal Service remains the best shipping value in the market, Reblin said, especially for Express Mail and Priority Mail packages weighing less than 5 pounds. Parcel Select, the Postal Service "last mile" ground product, where the Postal Service provides delivery for other parcel shippers and parcel consolidators, continues to be an excellent solution for high-volume shippers. For international mailers, Global Express Guaranteed, Express Mail International and Priority Mail International are the best value in global shipping.

<u>Service</u>	<u>Average Price Change</u>
Express Mail	5.7%
Priority Mail	3.9%
Parcel Select	5.9%
Parcel Return Service	5.3%
International Shipping Services	8.5%

*This is the first time the Postal Service is adjusting prices for its shipping services on a different schedule from its mailing service price adjustments. Price changes for mailing services, including stamp prices, will be announced in February, and will be effective in May 2009.*

Our customers who have Rate Protection on their equipment will receive the USPS rate changes along with the FedEx and UPS changes at no additional cost. Our customers without Rate Protection will be receiving a rate change order form within the next few weeks.

*Joseph P. Vaghi, III, SR Vice President at NMS states, "with this USPS announcement it becomes more important for our customers to purchase rate protection as a part of their total equipment package, as we now know there will be at least two price changes each year, in January for competitive shipping products and May for everything else. Rate protection is now twice the value that it was before."*