



March 23, 2011

USPS® LIGHT-WEIGHT PACKAGE SHIPPING and PITNEY BOWES SOLUTIONS ~ A WINNING COMBINATION!

In the last few years, the Postal Service™ has introduced new, innovative and competitively-priced shipping options for businesses and organizations of all sizes. With these USPS® options, along with the implementation of a Pitney Bowes solution such as the Connect+™, mailers and shippers can efficiently meet their customer communication objectives while often mitigating freight and postage expenditures.

This article will highlight some recent and upcoming enhancements to USPS® package shipping options as well as cost-saving strategies for you to consider.

Take Advantage of Commercial Base Pricing

As of April 17, 2011, Commercial Base pricing will be available not only for qualifying Priority Mail® and Express Mail®, but also for First-Class Mail® (FCM) parcels.

As noted in previous Customer Connections articles, there are a number of postage payment methods in which to qualify for these prices. Your Pitney Bowes Information-Based Indicia meter, such as most **DM Series™** and **Connect+™** meters, or our PC Postage® solution **pbSmartPostage™** are amongst the most convenient!

Commercial Base pricing for Priority Mail and Express Mail is approximately 5% less than retail pricing. And as illustrated in the chart below, effective April 17th, mailers using a qualifying postage payment method for their single-piece FCM Commercial Base parcels will save 15-cents per package over Retail prices.

FCM Parcels Weight Not Over (ounces)	Retail	Comm Base Single- Piece
1	1.71	1.560
2	1.71	1.560
3	1.71	1.560
4	1.88	1.730
5	2.05	1.900
6	2.22	2.070
7	2.39	2.240
8	2.56	2.410
9	2.73	2.580
10	2.90	2.750
11	3.07	2.920
12	3.24	3.090
13	3.41	3.260

Tip!

With a one to three day delivery objective, First-Class Mail® parcels is a cost-effective alternative to other carriers for shipping light-weight items such as medication, gadgets, electronics, rigid mailpieces, or documents that you place in a parcel-type container (to thereby qualify as a Parcel). When combined with an Extra Service such as Certified Mail™ or Delivery Confirmation™, you can receive confirmation that your package was delivered.

For example, the cost to ship a 3 oz. FCM document in a parcel-type container with Delivery Confirmation™ is very reasonable!

3 oz. FCM parcel*	\$1.56
e-Delivery Confirmation Parcel**	\$0.19
Total	<u>\$0.50</u>
	\$2.25

*Commercial Base

**this reflects the added cost that a parcel-type container might cost for shipping documents as FCM parcels.

Use Flat-Rate Packaging

In addition to Commercial Base pricing, the Postal Service has introduced a number of new flat-rate packaging options for Priority Mail® and a new "Flat-Rate" legal-size envelope for Express Mail®. "Flat-rate" means that any amount of material weighing no more than 70 pounds may be mailed in a USPS-produced Flat-Rate Envelope or Flat-Rate Box. Combining the lower postage rates (vs. Retail) of Commercial Base pricing with the advantages of Flat-Rate packaging is in many cases, a win-win!

Compare the following Priority Mail Flat-Rate Package *examples*:

	Retail Price	Commercial Base
Gift Card (10" x 7")	\$4.95	\$4.75
Window (5" x 10")	\$4.95	\$4.75
Small envelope (6" x 10")	\$4.95	\$4.75
Legal-size (15" x 9 ½")	\$4.95	\$4.95
Small box	\$5.20	\$5.00



Free Priority Mail® and Express Mail® packaging is available on the Pitney Bowes Expedited Shipping Services website www.pb.com/shipusps .



Packaging can also be ordered on the USPS® Web site <http://www.usps.com/> .

Important! When sealing a Flat-Rate box or envelope, the container flaps must be able to close within the normal folds. Tape may be applied to the flaps and seams to reinforce the container; provided the design of the container is not enlarged by opening the sides and the container is not reconstructed in any way.

Consider Priority Mail® Regional Rate Boxes

While Commercial Base pricing offers savings over Retail pricing, Regional Rate boxes offer an even greater savings over Retail and Commercial Base Priority Mail prices!

The Regional Rate Box was introduced as a new product in January of this year (for domestic use only) for Priority Mail® Commercial Base and Priority Mail® Commercial Plus mailers.

Regional Rate Box prices are based on the box used (USPS-produced packaging is required) and the zone.

- Regional Rate Box A has a maximum weight limit of 15 pounds
 - Top-loading option measures 10" x 7" x 4 3/4"
 - Side-loading option measures 12 13/16" x 10 15/16" x 2 3/8"
- Regional Rate Box B has a maximum weight limit of 20 pounds.
 - Top-loading option measures 12" x 10 1/4" x 5"
 - Side-loading option measures 15 7/8" x 14 3/8" x 2 7/8"



(Please note, packaging for Regional Rate boxes is only available online at www.usps.com)

The illustration below compares Commercial Base pricing for Boxes A (15 lb. weight limit) and B (20 lb. limit) versus Commercial Base pricing in customer-provided packages.

As you can see, using Box A to send a package weighing no more than 15 pounds to Zone 8 only costs \$9.37. Whereas, if the mailer chose to use his own box, postage for that same 15 pound package would cost \$38.30!

Commercial Base Regional Rate Box Pricing

Boxes	L, 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
A 15#	4.97	5.08	5.58	7.15	7.83	8.36	9.37
B 20#	5.81	6.88	8.06	10.51	12.29	13.12	14.62

Commercial Base Pricing in Customer-provided Packaging

	L, 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
4#	5.81	6.88	8.06	10.51	12.29	13.12	14.62
15#	13.32	16.67	20.12	27.70	31.03	33.52	38.30
20#	15.55	19.72	24.32	33.67	38.85	42.44	49.02

In conclusion, consider the following action items:

1. To reduce carrier expenditures, identify documents and packages that could be sent via Priority Mail®, Express Mail® or First-Class Mail® Commercial Base parcel pricing through your PB mail finishing or shipping solution.
2. Consider the use of Flat-Rate packaging ~ as in many cases, postage may be less than that of non-Flat-Rate packaging ~ but be cautious of light-weight package to local or close-by Zones! Let your PB solution assist you in calculating the most cost-effective option!
3. Leverage USPS electronic confirmation services such as Signature Confirmation™ or Delivery Confirmation™ as a cost-saving alternative to carriers when delivery information is required! Remember, the Postal Service™ does not add delivery area surcharges, address error fee charges or fuel surcharges!
4. Take note of small, but dense or heavy packages. Consider the Regional Rate boxes as a cost-saving alternative. And remember, there is no charge for electronic Delivery Confirmation™ service when combined with your Priority Mail® packages!

Please watch for additional information, strategies and tools from Pitney Bowes!

For assistance updating your Pitney Bowes mailing solution with the April 17th prices, please go to <http://www.pb.com/> and click on Rate Change.

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