

January 2010 USPS® Price Change

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Agenda

USPS® Price Change Overview

- Rate tiers
- Domestic
- International
- Q&A
- High Volume Shipping
 - Commercial Plus Pricing
 - Commercial Plus Cubic Pricing
 - Negotiated Service Agreements
- Q&A



Pricing Definitions

Retail Pricing

 The standard counter price for postage at the Post Office[™].

Commercial Base Pricing

 The discounted price available to online postage users, including Endicia customers.

Commercial Plus Pricing

 Deeply discounted prices available to high volume shippers of domestic Priority Mail[®] and Express Mail[®], including Endicia customers.





endicia Average Price Increases

Mail Class	UPS	FedEx	U.S. Postal Service [®] Commercial Base
Overnight	4.9%	5.9%	4.5%
2 - 3 Day	4.9%	5.9%	2.9-4.5%
Ground	4.9%	Not Yet Announced	2.9-4.7%

Information based on published rate information from FedEx, UPS, and the U.S. Postal Service websites. USPS® percentages are based on Express Mail®, Priority Mail® and Parcel Select® rates.



endicia Fees and Surcharges

Surcharges	Private Carrier	U.S. Postal Service [®]
Residential Surcharge	\$2.20	N/A
Extended Delivery Area Surcharge	\$2.75	N/A
Ground Fuel Surcharge	4%	N/A
Address Correction	\$10.00	N/A

Private carrier information based on published surcharge rates for ground service from FedEx and UPS websites as of November 2009.



endicia Keeping Prices Under Control

Priority Mail® savings over UPS Ground

1lb Package, 8 Zones	UPS Ground	Priority Mail [®] Commercial Base
Base Rate	\$5.77	\$5.44
Residential Surcharge	\$2.20	\$0.00
Fuel Surcharge (4%)	\$0.23	\$0.00
Total	\$8.20	\$5.44

Information based on published rate information from UPS Ground service and U.S. Postal Service® websites.



Keeping Prices Under Control

Express Mail® savings over FedEx Standard Overnight

3 lb Package, 5 Zones	FedEx Standard Overnight	Express Mail Commercial Base
Base Rate	\$41.10	\$30.33
Residential Surcharge	\$2.50	\$0.00
Air Fuel Surcharge (8.5%)	\$3.49	\$0.00
Total	\$47.09	\$30.33

Information based on published rate information from FedEx Air service and U.S. Postal Service® websites.



endicia Priority Mail® Changes

◊ Commercial Base saves average 5.7% over retail!

Priority Mail [®] Change (avg.)		
Retail	+ 3.9%	
Commercial Base	+ 2.9%	

One-pound price is now zone based





Priority Mail® Savings Over Retail

Priority Mail® Commercial Base Savings Over Retail

2 lb. Packages Shipped per Business Day	Savings per Month	Savings per Year
1	\$23.80	\$285.60
5	\$119	\$1,428
10	\$238	\$2,856
100	\$2,380	\$28,560

Savings over U.S. Postal Service® retail prices based on 5 business days/week, 4 weeks/month and includes \$0.65 per package for free Delivery Confirmation™ service for Priority Mail® using an approved PC Postage® vendor.



Express Mail® Changes



Commercial Base saves 5% over retail!

Express Mail® Change (avg.)		
Retail	+ 4.5%	
Commercial Base	+ 4.5%	





Express Mail® Savings Over Time

Express Mail® Commercial Base Savings Over Retail

3 lb Packages Shipped Per Business Day	Savings Per Month	Savings Per Year
1	\$28	\$336
5	\$140	\$1,680
10	\$280	\$3,360

Savings over U.S. Postal Service® retail prices based on 5 business days/week, 4 weeks/month.



Parcel Select® Changes

Save money on ground shipments

- Economically priced ground delivery with 2 - 8 day service
- Now available ONLY to PC Postage[®] users
 - No minimum volume required
 - Single pieces OK
 - Not available at retail counter
 - May be included with Carrier Pickup[™]
 one Priority Mail® package required
 - one Priority Mail® package required
- Weight not to exceed 35 lbs.





Keeping Prices Under Control

Parcel Select® savings over UPS Ground

5 lb Package, 2 Zones	UPS Ground	Commercial Parcel Select®
Base Rate	\$5.37	\$6.77
Residential Surcharge	\$2.20	\$0.00
Fuel Surcharge (4%)	\$0.21	\$0.00
Total	\$7.78	\$6.77

Information based on published rate information from UPS Ground service and U.S. Postal Service® websites.



Priority Mail International® Changes



Commercial Base saves 5% over retail!

Priority Mail International [®] Change (avg.)		
Retail + 3.0%		
Commercial Base	+ 3.0%	



- Cuba assigned to rate group 6
- Stealth (hidden) Postage is available, but not required to get the discount



Express Mail International® Changes



Commercial Base saves 8% over retail!

Express Mail International® Change (avg.)		
Retail	+ 2.9%	
Commercial Base	+ 2.9%	



 Stealth (hidden) Postage is available, but not required to get the discount



endicia International Savings Over Retail

Package	Retail	Commercial Base	Savings Over Retail		
	Priority Mail International®				
6 lbs., Canada	\$28.75	\$27.31	\$1.44		
3 lbs., France	\$35.00	\$33.25	\$1.75		
1 lbs., Japan	\$28.00	\$26.60	\$1.40		
Express Mail International®					
2 lbs., Mexico	\$34.25	\$31.51	\$2.74		



Kosovo Country Listing

- USPS® is adding an Individual Country Listing for Kosovo
- Country group assignments correspond to those for Serbia
- Assigned to rate group 5 for Priority Mail International®





endicia Summary Of Increases

2010 Average Retail Increases

Mail Class	Avg. Retail Increase
Priority Mail®	+3.3%
Express Mail®	+4.5%
Priority Mail International®	+3.0%
Express Mail International®	+2.9%
Global Express Guaranteed®	+4.1%



endicia Summary Of Discounts

Endicia Saves Money Over Retail

Mail Class	You Save
Priority Mail®	Average of 5.7%
Express Mail®	Average of 5%
Priority Mail International®	5%
Express Mail International®	8%
Global Express Guaranteed®	10%



endicia Summary Of Discounts

Endicia Saves Money Over Retail

Extra Services	You Save	
Endicia Parcel Insurance	Up to 66.7% over USPS® insurance	
Delivery Confirmation [™] service	\$0.70 (for Priority Mail®) \$0.61 (Other Classes) per package	
Signature Confirmation [™] service	\$0.40 per package	



Endicia Makes It Easy

- Endicia software will automatically update with the new prices. After the update, any pieces postmarked January 4, 2010 or later will use the new prices.
- As part of any Endicia service plan, your software is automatically updated with any changes, at no additional cost.
- Prices for First-Class Mail[®], Standard Mail[®], Parcel Post[®] and other market dominant mailing services will not change in 2010.



Question & Answer Session

If you haven't done so already, please take this time to submit questions to our speakers using the Q&A chat window on your console.

This presentation is available for download at: http://www.endicia.com/Support/Webinars/



Contact Us

Phone

- 800-576-3279
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 - > 7am-5pm Pacific Time

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Web

- www.endicia.com/pricechange
- www.usps.com/prices

Social Media

- www.twitter.com/endicia
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High Volume Shipping

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Agenda

- Commercial Plus Pricing
 - Priority Mail[®]
 - Half pound price
 - > Flat rate padded envelope
 - Express Mail[®]
- Commercial Plus Cubic Pricing
- Negotiated Service Agreements



endicia Average Price Increases

Mail Class	UPS	FedEx	U.S. Postal Service [®] Commercial Plus
Overnight	4.9%	5.9%	4.4%
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Priority Mail® Changes



Commercial Plus saves avg. 7.7% over retail!

Priority Mail [®] CPP Change (avg.)			
Retail + 3.9%			
Commercial Plus	+ 0.9%		

Qualification

- 100,000 domestic Priority Mail[®] pieces during the prior calendar year
- OR 600 Priority Mail[™] Open and Distribute containers in the prior calendar year
- OR Customer Commitment agreement with the USPS®
- OR Member of USPS® Approved Shipper program



Priority Mail® Innovations

Half pound price

- Starting at \$4.22
- Customers shipping smaller, lightweight packages save even more
- Save \$0.55/package on average over 1lb. rate
- No special packaging required

Flat rate padded envelope priced at \$4.95

- Measures 9.5" x 12.5"
- Designed for jewelry, electronics & other delicate goods



Express Mail® Changes



Commercial Plus saves avg. 14.6% over retail!

Express Mail® CPP Change (avg.)				
Retail + 4.5%				
Commercial Plus	+ 4.4%			

Qualification

- 6,000 domestic Express Mail[®] pieces during the prior 4 quarters
- OR Customer Commitment agreement with the USPS®
- OR Member of USPS® Approved Shipper program





Commercial Plus Cubic Pricing

- Customers who ship more than 250,000 Priority Mail[®] pieces annually
 - For small dense, space-efficient packages
 - Weighing less than 20 lbs.
 - No larger than ½ cubic foot in volume

Package	Cubic Volume
5-3/8" x 8-5/8" x 1-5/8"	.10
11" x 8.5" x 5.5"	.40
12" x 12" x 5-1/2"	.50





Negotiated Service Agreement (NSA)

- Customized rates agreed upon between very high volume shippers and the USPS®
- Endicia supports anyone with an NSA
- Contact your Postal Service[™] rep to learn more





Summary Of High Volume Discounts

Volume incentive highlights:

- ½ pound price for CPP Priority Mail[®]
- Flat rate padded envelope for CPP Priority Mail®
- Commercial Plus Cubic pricing
- Negotiated Service Agreements



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January 2010 USPS® Price Change Webinar Appendix

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Priority Mail® Illustration

Package	Retail 2010	Commercial Base 2010	Savings Over Retail
6 lbs., 4 zones	\$11.00	\$9.86	You Save \$1.14!
Flat Rate Envelope	\$4.90	\$4.75	You Save \$0.15!
Small Flat Rate Box	\$4.95	\$4.85	You Save \$0.10!
Medium Flat Rate Box	\$10.70	\$10.20	You Save \$0.50!
Large Flat Rate Box	\$14.50	\$13.95	You Save \$0.55!
Large APO/FPO Box	\$12.50	\$11.95	You Save \$0.55!



endicia Express Mail® Illustration

Package	Retail 2010	Commercial Base 2010	Savings Over Retail
1 lb., 8 zones	\$26.30	\$24.97	You save \$1.33!
3 lbs., 4 zones	\$31.20	\$29.64	You save \$1.56!
Flat Rate Envelope	\$18.30	\$17.40	You save \$0.90!



endicia Priority Mail® Illustration

Package	Retail 2010	Commercial Plus 2010	Savings Over Retail
6 lbs., 4 zones	\$11.00	\$9.77	You Save \$1.23!
Flat Rate Envelope	\$4.90	\$4.70	You Save \$0.20!
Small Flat Rate Box	\$4.95	\$4.80	You Save \$0.15!
Medium Flat Rate Box	\$10.70	\$9.77	You Save \$0.93!
Large Flat Rate Box	\$14.50	\$13.40	You Save \$1.10!
Large APO/FPO Box	\$12.50	\$11.40	You Save \$1.10!



endicia Express Mail® Illustration

Package	Retail 2010	Commercial Plus 2010	Savings Over Retail
1 lb., 8 zones	\$26.30	\$22.47	You save \$3.83!
3 lbs., 4 zones	\$31.20	\$26.67	You save \$4.53!
Flat Rate Envelope	\$18.30	\$14.96	You save \$3.34!



endicia Endicia Parcel Insurance

New three-tiered pricing structure

Endicia Plan	Domestic		International	
Endiola Flan	Tracked		Tracked	Non-Tracked
Standard	\$1.15	\$1.35	\$1.90	\$2.15
Premium/Mac	\$0.80	\$1.00	\$1.40	\$1.65
Professional/ Platinum Shipper/ Label Server	\$0.75	\$0.95	\$1.35	\$1.60



endicia Endicia Parcel Insurance

Competitive rates compared to USPS® insurance

Insurance Rate Comparison	Post Office™ Rate	Endicia Rates		
		Standard	Premium & Mac	Professional & higher
Domestic item \$100 value	\$2.25	\$1.15	\$0.80	\$0.75
Insurance Usage Volume		Annual Endicia Savings		
1 package/wk	-	\$57.20	\$75.40	\$78.00
5 packages/wk	-	\$286.00	\$377.00	\$390.00
25 packages/wk	-	\$1,430.00	\$1,885.00	\$1,950.00



Endicia Parcel Insurance

Newly covered countries:

Algeria

Bangladesh

Barbados

Brazil

Burundi

Cambodia

Cameroon

Cape Verde

Central African Republic

Chad

Djibouti

Dominican Republic

Ecuador

Ethiopia

Gabon Guinea India

Indonesia

Jordan Kenya

Libya

Malaysia

Mali

Mauritania

Mexico

Morocco

Myanmar

Oman

Pakistan

Papua/New Guinea

Poland Romania Rwanda

Senegal

Seychelles

Sierra Leone

Slovenia

Solomon Islands

Tanzania

Togo

Tunisia

Uganda

Yemen



About Endicia

With over 25 years of experience in the postal industry and over \$4 billion in postage printed, Endicia is the leading Internet Postage service provider. Integrated into more than 90 applications, Endicia's PC and Mac solutions allow users to print postage and shipping labels for all domestic and International mail classes that can be purchased at the Post Office™ retail counter. Endicia's functionality includes discounted Delivery Confirmation™ and Signature Confirmation™, discounted Parcel Insurance made available by Endicia, Stealth Postage™ and pre-filled customs forms. Endicia's PictureItPostage™ service allows businesses and individuals to print customized postage with their logos, images, or pictures. In 1989, the company received the first annual U.S. Postal Service Quality Supplier Award, the Industry Star Award in 2004, and the U.S. Postal Service Corporate Business Achievement Award for Outstanding Performance in 2008. For more information, visit www.endicia.com.

U.S. Postal Service®, USPS®, First-Class Mail®, Priority Mail®, Express Mail®, Express Mail International®, Priority Mail International®, Post Office™, PC Postage®, Parcel Post®, Global Express Guaranteed®, Standard Mail®, Parcel Select®, Postal Service ™, Carrier Pickup ™, Priority Mail™ Open and Distribute, Delivery Confirmation™, Signature Confirmation™ and the trade dress of the Express Mail® Flat Rate Boxes are among the many trademarks of the United States Postal Service. All other trademarks are property of their respective owners.