pitney bowes (CD)

Rate Change 2023:
Opportunities to Manage Carrier Spend

GREATER BOSTON POSTAL CUSTOMER COUNCIL

## Welcome and Thank You for Joining Us

Tom Hazel, VP of Carrier Solutions, North America, knows everything there is to know about strategic shipping. In his 37 years with Pitney Bowes, Tom has built his multifaceted expertise from concrete work experience in equipment service, sales, carrier software solutions, logistics, operations, ecommerce shipping, and company leadership.

In his current role, Tom works with product development, engineering, user experience, and education teams to increase internal and external understanding of Pitney Bowes cloud-based shipping management solutions. Gathering and sharing knowledge is a recurring theme throughout his career, as evidenced by his annual rate change webinars, industry event appearances, and unfailing willingness to share his expertise on all things shipping

Tom conducts client educational webinars throughout the year on behalf of Pitney Bowes and also speaks at various NACUMS CUMSA \& Postal Customer events. Council events on behalf of Pitney Bowes


## TOM HAZEL

Vice President Sales Carrier Solutions, NA Pitney Bowes

## Today's Agenda

What's changing in 2023 in the small parcel market

Rate Increase Analysis and Major Changes for UPS®, FedEx® and USPS®

Strategies to mitigate and reduce the impact of the rate increase

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\text { (3, } \mid \text { Q \& A }
$$

## Average Shipping Price Increases Continue Recent Trends



Average increase
6.9\%

Effective December 27, 2022


Average increase
6.9\%

Effective January 3, 2023


Average increase
5.9\%*

Effective January 22, 2023**
*3.6\% increase for Priority Mail and Priority Mail Express. Other price changes vary by product. **Requires approval of the Postal Regulatory Commission (PRC)

## ©pS 2023 Rate Changes

## Effective December 27, 2022

There will be an average $6.9 \%$ general rate increase across base pricing and accessorial fees.

## High level highlights*

- Package minimums are now (for the first time) above \$10
- Overall, 6.6\% average increase for shipments going to Zones 4 or below
- Overall, 8.7\% average increase for Zones 5+ [carrier doesn't want long distance deliveries]
- Ground residential surcharge up from \$4.85 to \$5.25
- Delivery Areas Surcharges for Residential Ground up from \$4.80 to \$5.30
- Address Corrections from \$18 to \$19.50
- 7+\% increase for UPS Ground, UPS 3 Day Select, UPS 2nd Day Air, UPS Next Day Air Saver
- Additional Handling (Weight, Dimensions, Packaging) up from $13 \%$ to $23 \%$
- Large package surcharge for zone 2 up from $\$ 135$ to \$160
- $13.3 \%$ increase for Over Maximum packages
- UPS Residential Surcharge up 8\% in addition to delivery area surcharges (DAS)


## UPS continues to raise rates on 3-Day Select

- UPS continues to hammer 3-Day Select with large increases.
- While not as popular with shippers as ground, two-day, and overnight services, the somewhat niche group of shippers who benefit from a 3-day guaranteed service, will once again be subject to the GRI's largest hikes.

2023 UPS Rate Increase by Service \& Weight


The UPS Digital Access Program simplifies your shipping process and saves you money.

Pitney Bowes clients can access pre-negotiated UPS rates of up to $88 \%$ off* when creating a free UPS account in SendPro ${ }^{\circledR}$
Online/PitneyShip ${ }^{\top M}$. There are no monthly volume minimums and added benefits include:

- Eliminated Peak and Fuel surcharges
- Reduced daily pick up and one-time pick-up fees
- Reduced or eliminated delivery area surcharges
- Compare shipping rates online and print your own discounted UPS shipping labels
- Track UPS package deliveries in real-time
- No hidden fees - the price you see is the price you get



## FedEx. 2023 Rate Changes

Effective January 3, 2023
There will be an average $6.9 \%$ general rate increase across base pricing.

## High Level Highlights*

- Minimums are over $\$ 10$ (for the first time)
- Additional Handling Surcharge for zone 3 is up nearly $19 \%$ from $\$ 16$ to $\$ 19$
- Oversize up $18 \%$ for Home Delivery with zone 2 increasing from \$135 to \$160.
- $16.4 \%$ average increase for shipments going to Zone 7+ across the board [carrier doesn't want long distance deliveries]
- Address Corrections up from $\$ 19.50$ to $\$ 21$
- Delivery Area Surcharge up 10\% for US Express Residential, Ground Residential and Home Delivery - now all up from $\$ 6.50$ to $\$ 7.15$
- New in 2023 there will be a Remote Area Surcharge of \$13.25
- Important note: Since it's a brand-new surcharge, it is not within current negotiated contracts with their clients and therefore cannot be avoided.
- UPS did the same last year with adding RDAS


## FedEx raises rates for longer zones

- This year, FedEx is increasing the rates for longer zones (6-8) more than for closer zones.
- The increase by weight ranges is consistent this year, unlike last year, when lighter weights had a much higher increase in comparison to heavier weights.

2023 FedEx Rate Increase by Service \& Weight


## Did you know that US parcel volumes skyrocketed in 2021?

| Parcel volume r <br> 21.5bn <br> up from <br> 20bn <br> in 2020 |  | Every second, 683 parcels are shipped in the US (up from 640 in 2020) |  |  | Every day 59mn parcels were shipped |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| Parcel Volume | 10bn | 11 bn | 12b | 13.3bn | 14.8bn | 20.2 bn | 21.5bn |
| Parcels per Person | 31 | 34 | 37 | 41 | 45 | 61 | 65 |

## Parcel shipping reaches 159bn in volume globally in 2021 and will most likely reach 256 billion by 2027

## 2023 Residential Surcharges


*USPS First-Class Package Services charged by the ounce up to 15.99 ounces

FedEx.

| Surcharge | Zones 2022 Rate 2023 Rate |  |  | Pertentage Increase |
| :---: | :---: | :---: | :---: | :---: |
| Additional Handling |  |  |  |  |
| Additional Maneling, Weight | 2 | 825.25 | S89. $\times$ | 14.85\% |
| Additional Handling, Weight | 3.4 | \$27.50 | 51.50 | 14.55\% |
| Additional Handling, Weight | 54 | 500.50 | \$34.00 | 11.48\% |
| Addilional Handiling, Length/widith | 2 | 515.75 | S18.50 | 17.46\% |
| Additional Manding, Length/with | 3-4 | \$17.30 | \$20.30 | 17,14\% |
| Additional Manding, Length/width | $5+$ | \$20.30 | \$23.30 | 14.63\% |
| Additional Handiling, Paclaging | 2 | S14.00 | 516.50 | 17.86\% |
| Additional Handing, Packeging | 3-4 | s16.0. | s19.0. | 18.73\% |
| Additional Handling, Paclaging | 5 | 517.50 | 520.50 | 17.14)6 |
| Address Correction |  | \$18.00 | \$12.50 | 833\% |
| cao |  | 51750 | \$1800 | 286\% |
| Dangerous Goods [Haxardous Materiss) |  |  |  |  |
| Hazardous Materials, Air, Accessible goods |  | \$370.00 | 5145.00 | 1154\% |
| Hazardous Materials, Air, haccessible poods |  | 561.50 | 588.50 | 11.38\% |
| maxarsensmaterials, Ground |  | sacm | sas, 0 | 8.09\% |
| DeliveryA |  |  |  |  |
| DoliveryA mea Sercharge, Commerdal Air |  | 53.55 | 53.70 | 4.23\% |
| Delivery Area Surcharge, Commerdal Air Eutended |  | 54.25 | S4.50 | $5.83 \%$ |
| Deivery Ares Sercharge, Commerial around |  | 53.40 | 53.00 | 8829 |
| Defivery Area Sercharge, Commerial Ground Etended |  | 54.20 | 54.50 | 2.76\% |
| Deivery Area Surcharge, Residential Ground |  | 54.30 | 55.30 | 10.423 |
| Defiveryaree sercharge, Residential Ground Extended |  | 50.30 | 57.13 | 10.00\% |
| DefiveryArea Surcharge, Residential Air |  | 55.20 | 55.55 | 6.73\% |
| DoliveryArea Surcharge, Residential Air Extended |  | \$6.50 | 57.15 | 10.00\% |
| Delliveryconfimation |  |  |  |  |
| Defivery Confirmation Signature Required |  | 55.90 | 56.35 | 7.63\% |
| DeliveryConfirmation Signature Required Adult |  | 57.15 | 57.65 | 6.90\% |
| Dryice |  | 56.55 | 57.06 | 2.63\% |
| Large Packue Suncharge |  |  |  |  |
| Lage Package Surcharge, Commercial | 2 | 5110.00 | 5135.00 | 2273\% |
| Large Pactage surch age, Commerdal | 3-4 | \$120.00 | \$145.00 | 20.83\% |
| Lage Pactage surchage, commercia | 5+ | 5140.00 | 5165.00 | 17.86\% |
| Large Package Surcharge, nexidential | 2 | 5135.00 | 5180.00 | 18.52\% |
| Large Package Surcharge, nesidential | 3.4 | 5145.00 | \$170.00 | 17.24\% |
| Large Package Surcharge, Residental | $5+$ | $5165 . \infty$ | 5195.0 | 18.185 |
| internations |  | 5145.00 | 5170.00 | 17,2476 |
| Over Maximum Limits |  | 51,025.00 | 51,150.00 | 1220\%6 |
| Mussing PLDtea |  | 52.15 | 53.00 | 38.53\% |
| Residential surchage |  |  |  |  |
| Residertial Surchage, Cround |  | 54.85 | 55.25 | 825\% |
| Residential Surcharge, Air |  | 55.35 | 55.85 | 2.35\% |
| Daily Pickep |  |  |  |  |
| Ground Weekly Pickup [<S75/week) |  | \$0.00 | \$00.00 | -16.67\% |
| Ground Weekly Pick Up (3,575/week) |  | 519.50 | 500.00 | 53.85\% |
| Late payment fee |  | 63 | 830 | 33.33\% |


| Surchargo Name 2 | 2022 Rate | 2028 Rato | Percentege Incroase |
| :---: | :---: | :---: | :---: |
| Address Correction | \$19.50 | \$21.00 | 760\% |
| Delivery Area Surcharge |  |  |  |
| US Express | \$3.55 | \$3.70 | 4.206 |
| US Express Residential | \$5.20 | \$5.55 | 6\%9\% |
| Ground | \$3.40 | \$3.70 | 8.0.20 |
| Ground Residential | \$4.80 | \$5.30 | 10.428 |
| Home Delivery | \$4.80 | \$5.30 | 10.424 |
| Ground Economy | \$3.60 | \$3.60 | 0.00\% |
| Late Fee | 64 | 88 | 58.9 |
| Delivery Area Surcharge Extended |  |  |  |
| US Express | 53 \$4.25 | \$4.50 | 5008 |
| US Express Residential | al $\quad \$ 6.50$ | \$7.15 | 10.008 |
| Ground | d | \$4.50 | 9.768 |
| Ground Residential | 31 $\quad \$ 6.50$ | \$7.15 | 10.004 |
| Home Delivery | ry $\$ 6.50$ | \$7.15 | 10.004 |
| Ground Economy | \% $\quad \$ 4.75$ | \$4.75 | 0.008 |
| Remote Delivery Surcharge |  | \$13.25 | Now for 2023 |
| Non-Machinable, Ground Economy | \$5.10 | \$5.70 | 11.768 |
| Oversize (US Express/Ground) |  |  |  |
| Zone 2 | 2 2 $\$ 110.00$ | \$135.00 | 28782 |
| Zones 3-4 | 4 $\$ 12000$ <br> 10.000  | \$145.00 | 20.858 |
| Zones 5-6 | -6 \$13500 | \$160.00 | 10.58t |
| Zones $7 *$ | + | \$170.00 | 17.242 |
| Oversize (Home Delivery) |  |  |  |
| Zone 2 | 2. $\$ 135.00$ | \$160.00 | 10.820 |
| Zones 3-4 | 4 $\$ 14500$ | \$170.00 | 17.242 |
| Zones 5-6 | 6- $\$ 16000$ | \$190.00 | 18.758 |
| Zones 7. | 7. $\$ 170.00$ | \$200.00 | 17.658 |
| Residential Surcharge, US Express | \$5.30 | \$5.80 | 9.438 |
| Residential Surcharge, Ground | \$520 | \$5.50 | 5.718 |
| Residential Surcharge, Home Delivery | \$4.75 | \$5.15 | 8.4.48 |
| Ground Economy Delivery and Returns Surcharge | \$1.00 | \$1.00 | 0.004 |

## USPS® Shipping Changes

 Effective January 22, 2023

## USPS® ${ }^{\circledR}$ price changes will take effect Sunday, January 22nd.

- The Shipping Services (USPS Competitive Services) change affects products like Priority Mail, Priority Mail Express, First-Class Parcels, etc.
- The January rate change will also affect USPS Mailing prices (Market Dominant) like First-Class Letters, Postcards, and Marketing Mail.


## Notable Changes:

- Commercial and Commercial Plus price categories will be consolidated into a Commercial pricing for Priority Mail and Priority Mail Express
- Zone Local, 1, and 2 will be split into Zone 1 and Zone 2.
- No more Priority Mail Regional Rate boxes



## Am I paying Retail or Commercial Rates?

## Retail



## Commercial



## TESTLABEL.DONOTMAIL

$\|\|\|$ VOID ||||

## 层居 January 2023 Shipping Changes: Priority Mail ${ }^{\oplus}$

| Priority Mail Product | Current 2022 <br> Retail | Jan 2023 <br> Retail | Jan 2023 <br> Commercial | Pitney Bowes <br> Savings |
| :--- | :---: | :---: | :---: | :---: |
| Flat Rate Envelopes | $\$ 9.00$ | $\$ 9.65$ | $\$ 8.05$ | $\mathbf{\$ 1 . 6 0}$ |
| Legal Flat Rate Envelope | $\$ 10.20$ | $\$ 9.95$ | $\$ 8.35$ | $\mathbf{\$ 1 . 6 0}$ |
| Small Flat Rate Box | $\$ 10.40$ | $\$ 10.20$ | $\$ 8.55$ | $\$ 2.35$ |
| Medium Flat Rate Boxes | $\$ 17.05$ | $\$ 17.10$ | $\$ 14.75$ | $\mathbf{\$ 2 . 8 5}$ |
| APO/FPO/DPO Large Flat Rate Box | $\$ 20.95$ | $\$ 21.20$ | $\$ 18.35$ | $\mathbf{\$ 2 . 3 0}$ |
| 1lb Zone 1 | $\$ 9.00$ | $\$ 9.35$ | $\$ 7.64$ | $\mathbf{\$ 1 . 7 1}$ |
| 1lb Zone 4 | $\$ 9.75$ | $\$ 10.20$ | $\$ 8.24$ | $\mathbf{\$ 1 . 9 6}$ |
| 2lb Zone 2 | $\$ 9.55$ | $\$ 10.05$ | $\$ 8.31$ | $\mathbf{\$ 1 . 7 4}$ |
| 5lb Zone 4 | $\$ 13.45$ | $\$ 14.05$ | $\$ 10.27$ | $\mathbf{\$ 3 . 7 8}$ |

Save an average of $20.1 \%$ with Commercial Based Pricing vs. Retail.

Print the IMpb label rather than a Meter Tape and pay less in 2023 for the same packages you sent Retail in 2022.

USPS ${ }^{\circledR}$ does not add any surcharges for fuel, residential delivery, or regular Saturday delivery.

## 2023* Priority Mail Commercial Base Pricing (CBP) vs. Retail

| Weight not over (lbs) | Zone 1 | Zone 2 | Zone 3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Zone 9 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1 | 18\% | 19\% | 19\% | 19\% | 20\% | 18\% | 20\% | 20\% | 16\% |
| 2 | 16\% | 17\% | 20\% | 24\% | 25\% | 16\% | 23\% | 23\% | 18\% |
| 3 | 19\% | 20\% | 22\% | 26\% | 29\% | 16\% | 18\% | 18\% | 17\% |
| 4 | 23\% | 23\% | 25\% | 26\% | 24\% | 17\% | 19\% | 15\% | 14\% |
| 5 | 27\% | 27\% | 29\% | 27\% | 19\% | 19\% | 18\% | 15\% | 14\% |
| 6 | 28\% | 28\% | 28\% | 27\% | 20\% | 21\% | 16\% | 14\% | 12\% |
| 7 | 28\% | 29\% | 26\% | 28\% | 22\% | 20\% | 19\% | 17\% | 12\% |
| 8 | 27\% | 28\% | 25\% | 25\% | 20\% | 19\% | 21\% | 19\% | 12\% |
| 9 | 25\% | 25\% | 23\% | 22\% | 21\% | 21\% | 22\% | 20\% | 12\% |
| 10 | 27\% | 27\% | 23\% | 24\% | 21\% | 22\% | 23\% | 22\% | 12\% |

Print the IMpb shipping label rather than a Meter Tape to automatically save with Commercial Base


| $\mathbf{2 1 \%}+$ Savings |
| :--- |
| $17 \%$ to $21 \%$ Savings |
| $12 \%$ to $17 \%$ Savings |

## The USPS offers 3 pricing tiers for Priority Mail. Ship using the lowest rates available with Pitney Bowes.



## Commercial

Discounted rates accessed by using shipping software to print the IMpb Shipping Label.

## Priority Mail with Pitney Bowes

Special rates offered through a partnership agreement with the USPS offering lowest rates.

Inexpensive way to send small packages that weigh up to 20lbs

Save up to 89\% using PitneyShip vs. Retail rates

Fast Priority Mail delivery time frames ( 1 to 3 days)

Includes $\$ 100$ USPS ${ }^{\circledR}$ insurance


Get Priority Mail Cubic Pricing automatically with PitneyShip ${ }^{\text {TM }}$ and PitneyShipTM Pro

## Get the best prices on Priority Mail with Pitney Bowes

 Ex. Priority Mail, 7lb package going to Zone 5
$\$ 9.59$
Pitney Bowes Rate
My Packaging
My Box
11 in $\times 6$ in $\times 6$ in
7 lbs 0.00 oz.
rates and services
Priority Maile
total cost

## Savings Example:

Priority Mail Flat Rate Envelope



Pitney Bowes Rate
Priority Mail Packaging Flat Rate Envelope

RATES AND SERVICES Priority Mail (®)
$\square$ total cost $\mathbf{\$ 7 . 6 0}$ $\$ 9.90$

Print Shipping Label

## \$1.40 Savings

## January 2023 Shipping Change: Priority Mail Express ${ }^{\circledR}$

| PME Product | Current 2022 <br> Retail | Jan 2023 <br> Retail | Jan 2023 <br> Commercial | Pitney Bowes <br> Savings |
| :--- | :---: | :---: | :---: | :---: |
| Flat Rate Envelope | $\$ 28.75$ | $\$ 28.75$ | $\$ 24.90$ | $\$ 3.85$ |
| Legal Flat Rate Envelope | $\$ 10.20$ | $\$ 28.95$ | $\$ 25.15$ | $\$ 3.80$ |
| Padded Flat Rate Envelope | $\$ 10.40$ | $\$ 29.45$ | $\$ 25.35$ | $\$ 4.10$ |
| 0.5lb Zone 1 | $\$ 17.05$ | $\$ 28.75$ | $\$ 24.90$ | $\$ 3.85$ |
| 1lb Zone 1 | $\$ 20.95$ | $\$ 29.20$ | $\$ 25.25$ | $\$ 3.95$ |
| 0.5lb Zone 4 | $\$ 9.00$ | $\$ 31.20$ | $\$ 27.35$ | $\$ 3.85$ |
| 1lb Zone 4 | $\$ 9.75$ | $\$ 35.80$ | $\$ 31.25$ | $\$ 4.55$ |
| 1lb Zone 6 | $\$ 9.55$ | $\$ 45.90$ | $\$ 32.80$ | $\$ 5.35$ |
| 5Ib Zone 3 | $\$ 13.45$ | $\$ 41.65$ | $\$ 35.85$ | $\$ 5.80$ |

Save an average of $12 \%$ with Commercial Based Pricing vs. Retail.

USPS Priority Mail Express is a guaranteed way to send overnight, or in up to two days on any day of the year, including Sundays and holidays.

The USPS is the only overnight carrier that delivers packages to P.O. Boxes

## 2023* Priority Mail Express CBP vs. Retail

| Weight Not Over (lbs) | Zone 1 | Zone 2 | Zone 3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Zone 9 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 0.5 | 13\% | 14\% | 12\% | 12\% | 14\% | 14\% | 14\% | 13\% | 13\% |
| 1 | 14\% | 14\% | 13\% | 13\% | 15\% | 15\% | 15\% | 14\% | 14\% |
| 2 | 14\% | 14\% | 13\% | 13\% | 16\% | 16\% | 15\% | 14\% | 14\% |
| 3 | 14\% | 14\% | 13\% | 13\% | 16\% | 16\% | 16\% | 15\% | 15\% |
| 4 | 14\% | 14\% | 14\% | 13\% | 16\% | 17\% | 16\% | 15\% | 15\% |
| 5 | 14\% | 14\% | 14\% | 14\% | 17\% | 17\% | 17\% | 15\% | 15\% |
| 6 | 14\% | 14\% | 14\% | 14\% | 17\% | 17\% | 16\% | 15\% | 15\% |
| 7 | 15\% | 15\% | 14\% | 13\% | 17\% | 17\% | 16\% | 15\% | 15\% |
| 8 | 15\% | 15\% | 14\% | 13\% | 17\% | 17\% | 16\% | 15\% | 15\% |
| 9 | 15\% | 15\% | 14\% | 13\% | 16\% | 17\% | 16\% | 15\% | 15\% |

Print the Impb shipping label rather than a Meter Tape to automatically save with Commercial Base


| $\mathbf{1 5 \%}$ + Savings |
| :--- |
| $14 \%$ to $15 \%$ Savings |
| $12 \%$ to $13 \%$ Savings |

## 畐 Choose First-Class Package Service if less than 1 lb .



## Jan 2022 Commercial Parcels

| Weight Not Over (oz.) | Zones |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1 \& 2 | Zone 3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Zone 9 |
| 1-4 | \$3.59 | \$3.64 | \$3.66 | \$3.75 | \$3.81 | \$3.90 | \$3.97 | \$4.13 |
| 5-8 | \$3.99 | \$4.06 | \$4.09 | \$4.15 | \$4.20 | \$4.24 | \$4.31 | \$4.44 |
| 9-12 | \$4.62 | \$4.69 | \$4.74 | \$4.81 | \$4.88 | \$5.04 | \$5.17 | \$5.33 |
| 13-15.999 | \$5.85 | \$5.93 | \$6.00 | \$6.07 | \$6.22 | \$6.44 | \$6.60 | \$6.78 |



Save an average of $28 \%$ with First-Class Commercial Parcels

Save big on small packages with First-Class Package Service

(2)
Inexpensive way to send your packages that way less than a 1 lb .



First-Class Commercial Parcel

We make it easy to ship smarter


Priority Mail ${ }^{\circledR}$
88\% Savings

Priority Mail Express ${ }^{\circledR}$
up to
17\% Savings

First-Class ${ }^{\circledR}$ Commercial Parcels

$$
\begin{gathered}
\text { up to } \\
68 \% \text { Savings* }
\end{gathered}
$$

## ⑨. Rate highlights - First-Class Mail

- Metered mail (SendPro®/ PitneyShip ${ }^{\text {TM }}$ ) saves 3¢ on every First-Class Letter* vs. stamps.
- 3¢ increase on FirstClass Letters
- $10 \%$ increase on postcards

| First-Class Mail Single-Piece Prices | Current | New | Change |
| :--- | :--- | :--- | :--- |
| Letters 1 Oz. | $\$ 0.60$ | $\$ 0.63$ | $+\$ 0.03$ |
| Metered Mail Letters 1 Oz. (SendPro <br> rate) | $\$ 0.57$ | $\$ 0.60$ | $+\$ 0.03$ |
| Flats/Large Envelope 1 Oz. | $\$ 1.16$ | $\$ 1.20$ | $+\$ 0.04$ |
| Additional Ounce (Letters \& Flats) | $\$ 0.24$ | $\$ 0.24$ | No Change |
| Single-Piece Cards | $\$ 0.44$ | $\$ 0.48$ | $+\$ 0.04(+10 \%)$ |

*3¢ savings for Metered Letters applies to:

- Metered mail
- Online postage
- Permit imprints
- Pre-cancelled stamps



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## How else can you save?

Jan 2023 Retail Flats

| Weight not <br> over (oz.) | Single piece <br> rates | Increase |
| :---: | :---: | :---: |
| 1 | $\$ 1.26$ | $5 \%$ |
| 2 | $\$ 1.50$ | $4 \%$ |
| 3 | $\$ 1.98$ | $4 \%$ |
| 4 | $\$ 2.22$ | $3 \%$ |
| 5 | $\$ 2.46$ | $3 \%$ |
| 6 | $\$ 2.70$ | $3 \%$ |
| 7 | $\$ 2.94$ | $2 \%$ |
| 8 | $\$ 3.18$ | $2 \%$ |
| 9 | $\$ 3.42$ | $2 \%$ |
| 10 | $\$ 3.66$ | $2 \%$ |
| 11 | $\$ 3.90$ | $2 \%$ |
| 12 | $\$ 4.14$ | $2 \%$ |
| 13 | $\$ 1.98$ | $1 \%$ |

Jan 2023 Metered Letters

| Single piece <br> rates | Savings Vs. <br> Flats |
| :---: | :---: |
| $\$ 0.60$ | $52 \%$ |
| $\$ 0.84$ | $44 \%$ |
| $\$ 1.08$ | $38 \%$ |
| $\$ 1.32$ | $33 \%$ |
| $*($ unto 3.507$)$ |  |



Save $\$ 0.66$ per envelope by switching from flats to letters

If less than 3.5 ounces, fold paper in half and use a 6 " x $91 / 2 "$ envelope.

For Flats over 3.5 oz , duplex print to cut page count in half and reduce the weight of the envelope.

Explore First-Class Mail Commercial rates for even deeper savings.

- Presort Service
- Mail outsourcing
- Software


## First-Class Mail Commercial Rates



## How can I save automation discounts?



## Software

Presort your larger mailings with software like Pitney Bowes PlanetPress.

## Presort Service

Leverage a pick-up service like Pitney Bowes Presort or PresortXtra.

## Outsource

Rather than printing documents and stuffing envelopes yourself, use a full-service solution like Pitney Bowes Mailstream On Demand.

## New Certified Mail Rates

## Certified Mail ${ }^{T M}$ <br> from $\$ 4.00$ to $\$ 4.15$

15¢ increase


## Return Receipt Retail

 from \$3.25 to \$3.3510c increase


Switch to Electronic Return Receipt to save $\$ 1.25$ on every piece of Certified Mail

Return Receipt Electronic from \$2.00 to \$2.10

10¢ increase


## A Save with Electronic Return Receipt.

No volume requirements


Green card hard copy form 3811: \$3.35

Save \$1.25 on every single piece.

Additional benefits:

- No manual filing
- Consolidated reporting
-Searchable signature files


Electronic Return Receipt form 3811: \$2.10

Think of it as "Green"

## Wrapping Up

## Shipping is complex



## [/3 Understanding Zones

Pricing zones are based on where you're shipping from (origin).


## Final thoughts



Carrier Diversity Can Save More than Money
With complex rate increases and surcharges, plus unpredictable delivery challenges, it's never been a better time for multi-carrier software.

## Rethink Your Light-Weight

 and/or Smaller Packages There are many affordable alternatives for your packages that weigh less than a pound and your heavier items packaged in smaller boxes. PitneyShip makes it easy to choose best available rates and service options.

Offset 2023 Rate Increases with PitneyShip.
Leverage your Pitney Bowes solution for Rates Lower than Commercial Base pricing on USPS and special discounts with UPS.

## Additional Resources

## USPS ${ }^{\circledR}$ resources

- USPS Postal Explorer ${ }^{\circledR}$ (http://pe.usps.gov/)
- PostalPro ${ }^{\text {TM }}$ www.postalpro.usps.com


## FedEx resources

https://www.fedex.com/en-us/shipping/ratechanges.html

## UPS resources

https://www.ups.com/assets/resources/webcontent /en_US/Dly_US48_Final.pdf

## Simplifying the 2023 USPS ${ }^{\circledR}$ Rate Change

 Webinar on December 13, 2022In this interactive webinar, you will hear about the upcoming USPS changes and what it means to your business.


Visit the Pitney Bowes Postal Information page for helpful rate information and support.

## Q\&A

## Thank you for joining us.

Please complete the post-event survey.
Let us know if we can help you reduce costs and \#ShipSmarter

Appendix

FedEx 2022/2023 Rate Comparison

| Surchargo Name | 2022 Rate | 2028 Rato | Percentege Increase |
| :---: | :---: | :---: | :---: |
|  |  |  |  |
| Zone 2 | \$25.25 | \$29.00 | 14.85\% |
| Zones 3-4 | \$27.50 | \$31.50 | 14:55\% |
| Zones 5-6 | \$29.50 | \$33.50 | 1956\% |
| Zones 7+ | \$31.50 | \$36.00 | 1420\% |
| Additional Handling (Dimension) |  |  |  |
| Zone 2 | \$15.75 | \$18.50 | 1746\% |
| Zones 3-4 | \$17.50 | \$20.50 | 1714\% |
| Zones 5-6 | \$19.50 | \$22.50 | 18-515 |
| Zones 7+ | \$21.50 | \$25,00 | 1620\% |
| Additional Handling (Packaging) |  |  |  |
| Zone 2 | \$14.00 | \$16.50 | 17.865 |
| Zones 3-4 | \$16.00 | \$19.00 | 18.754 |
| Zones 5-6 | \$17.00 | \$20.00 | 17.058 |
| Zones 74 | \$18.00 | \$21.00 | 16.678 |
| Address Correction | \$19.50 | \$21.00 | 7.59 |
| Delivery Area Surcharge |  |  |  |
| US Express | \$3.55 | \$3.70 | 4.208 |
| US Express Residentiat | \$5.20 | \$5.55 | 6.70\% |
| Ground | \$3.40 | \$3.70 | 8.82 |
| Ground Residential | \$4.80 | \$5.30 | 10.422 |
| Home Delivery | \$4.80 | \$5.30 | 10.42t |
| Ground Economy | \$3.60 | \$3.60 | 0.00\% |
| Late Fee | 6\% | 8\% | 35.2354 |


| Surcharge Name | 2022 Rate | 2023 Rate | Percentage Increand |
| :---: | :---: | :---: | :---: |
| Delivery Area Surcharge Extended |  |  |  |
| US Express | \$4.25 | \$4.50 | 58.85 |
| US Express Residential | \$6.50 | \$7.15 | 10.00 |
| Ground | \$4.10 | \$4.50 | 9.708 |
| Ground Residential | \$6.50 | \$7.15 | 10.00 |
| Home Delivery | \$6.50 | \$7.15 | 10006 |
| Ground Economy | 54.75 | \$4.75 | 0.008 |
| Remote Delivery Surcharge |  | \$1325 | New for 2023 |
| Non-Machinable, Ground Economy | \$5.10 | \$5.70 | 11.758 |
| Oversize (US Express/Ground) |  |  |  |
| Zone 2 | \$11000 | \$135.00 | 2785 |
| 2ones 3-4 | \$12000 | \$14500 | 28038 |
| Zones 5-6 | \$135.00 | \$160.00 | 185820 |
| Zones 7* | \$145.00 | \$170.00 | 17.26 |
| Oversize (Home Delivery) |  |  |  |
| Zone 2 | \$135.00 | \$160.00 | 18.520 |
| Zones 3-4 | \$145.00 | \$170.00 | 17.268 |
| Zones 5-6 | \$16000 | \$190.00 | 10.75: |
| Zones 7* | \$17000 | \$200.00 | 77.65 |
| Residential Surcharge, US Express | \$5.30 | \$5.80 | 2.882 |
| Residential Surcharge, Ground | \$5.20 | \$5.50 | 5 ma |
| Residential Surcharge, Home Delivery | \$4.75 | \$5.15 | 208 |
| Ground Economy Delivery and Returns Surcharge | \$1.00 | \$1.00 | 0.0015 |

## UPS 2022/2023 Rate Comparison

| Surcharge | Zones 2022 Rate 2023 Rate |  |  | Pertentage Increase |
| :---: | :---: | :---: | :---: | :---: |
| Additional Handling |  |  |  |  |
| Addilional Handing, Weight | 2 | 85. 25 | S89.0 | 14.85\% |
| Additional Mandling, Weight | $3 \cdot 4$ | \$27.30 | \$21.30 | 14.55\% |
| Additional Handling, Weight | 54 | 500.50 | \$34.00 | 11.48\% |
| Addilional Handing, Length/width | 2 | S15.75 | 518.50 | 17.46\% |
| Additional Manding, Length/width | 3-4 | \$17.30 | \$0.30 | 17,1431 |
| Additional Handling, Lergth/Width | $5+$ | \$20.50 | \$23.50 | 14.63\% |
| Additional Handiling, Paclaging | 2 | S14.0 | 516.50 | 17.86\% |
| Additional Handing. Packeging | 3-4 | 516.0. | S19.0 | 18.73\% |
| Additional Handling, Pachaging | 5 | 517.50 | \$20.30 | 17.1436 |
| Address Correction |  | \$18.00 | \$12.50 | 833\% |
| coo |  | 51750 | \$1800 | 286\% |
| Dangerous Goods [Haxardous Materids) |  |  |  |  |
| Hazardous Materials, Air, Accessible goods |  | \$130.00 | \$145.00 | 1154)6 |
| Hazardous Materials, Air, haccessible goods |  | 561.50 | 568.50 | 12.38\% |
| Mazardeos Materials, Ground |  | 544.0 | $548 . \infty$ | 9.09\% |
|  |  |  |  |  |
| Dolivery A rea Surcharge, Commercial Air |  | \$3.55 | 53.70 | 4.23* |
| DeliveryArea Sercharge, Commeroal Air Extended |  | 54.25 | 54.50 | 5.83\% |
| Deivery Ares Surcharge, Commerial ground |  | 53.40 | 53.00 | 8.82\% |
| DefiveryArea Sercharge, Commerial Ground Extended |  | 54.20 | 54.50 | 2.7646 |
| DefiveryArea Surcharge, Residential Ground |  | 54.50 | 55.30 | 10.42\% |
| Defiveryares Surcharge, Residential Ground Dxtended |  | 50.30 | 57.13 | 10.00\% |
| Delivery A rea Surcharge, Residential Air |  | 55.20 | \$5.55 | 6.7346 |
| Delivery Area Surcharge, Residential Air Extended |  | 56.50 | 57.15 | 10.00\% |
| Deliveryconfimation |  |  |  |  |
| Deivery Confirmation Signature Required |  | 55.90 | 56.35 | 7.63) |
| DeliveryConfirmation Signature Requirad Adult |  | 57.15 | 57.65 | 6.90\% |
| Dryice |  | 56.55 | 57.06 | 2.63\% |
| Large Packege surcharge |  |  |  |  |
| Large Package Surcharge, Commercial | 2 | \$110.00 | \$135.00 | 227314 |
| Large Package Surcharge, Commerdal | 3-4 | \$120.00 | \$145.00 | 20.83\% |
| Large Package surcharge, commercia | 5+ | \$140.00 | \$165.00 | 17.809 |
| Large Package Surcharge, nesidential | 2 | 5135.00 | 5160.00 | 18.52\% |
| Large Package Surcharge, Residential | 3-4 | 5145.00 | 5170.00 | 17.2436 |
| large package surcharge, Residental | S+ | 5165.00 | 5195.00 | 18.18\% |
| Internations |  | \$145.00 | \$170.00 | 17,2431 |
| Over Maximum Limits |  | 51,025.00 | \$1,150.00 | 12201/ |
| Missing PLDtee |  | 52.15 | 53.0. | 32.53\% |
| Residential surchage |  |  |  |  |
| Residertial Surcharge, Oround |  | 54.85 | 55.25 | 8.25\% |
| Residertial Surchage, Air |  | \$5.35 | 55.85 | 2.35\% |
|  |  |  |  |  |
| Ground Weekly Pickup (<575/week) |  | \$00. 0 | \$00.00 | -16.67\% |
| Ground Weekly PickUp (5,575/week) |  | \$19.30 | 500.00 | 53.95\% |
| Late payment fee |  | 63 | 835 | 33.33\% |

