

July 14, 2024 USPS® Rate Change – What you need to know

USPS® is raising rates on July 14, 2024 for the sixth time in 3 years with some of the largest increases in history and at significantly higher pace than inflation. We can expect these rate spikes to continue as the USPS has stated that two increases per year will be their new norm.

Date	First-Class Mail® Retail Letters	First-Class Mail® Metered Letters	First-Class Mail® Flats	First-Class Mail® Auto Letters	First-Class Mail® Auto Flats	Marketing-Mail® Letters	Marketing-Mail® Flats
7/14/2024	7.4%	7.8%	10.3%	8.3%	7.6%	4.4%	5.5%
1/21/2024	3.0%	1.6%	3.0%	1.8%	1.2%	1.1%	3.8%
7/9/2023	4.8%	5.0%	5.0%	5.8%	16.7%	6.4%	8.0%
1/22/2023	5.0%	5.3%	4.0%	3.3%	8.0%	3.2%	6.1%
7/10/2022	4.2%	8.1%	10.9%	6.5%	13.0%	6.3%	7.8%
8/29/2021	5.5%	3.9%	16.0%	7.5%	17.3%	8.0%	9.0%
Last 3 Year Increase	29.9%	31.7%	49.2%	33.2%	63.8%	29.4%	40.2%

Postal Advocate has been creating comparison charts that go over the changes in rates to show how it will affect budgets. The reason we do this is to provide a true comparison versus the overall average % increase that the postal service talks about. Based on the type of mail you send, the increase could be higher or lower. Also, when you look at the new rate charts provided by the USPS®, they typically will not show the level of detail needed (Previous and new rates, side by side) to see these differences.

Hopefully, this will help you budget by seeing the impact of the most common services that you use today. At the bottom of this article there is a link to an excel tool where you can plug in your mail volumes to see the impact to your organization.

Here is a [link \(https://postaladvocate.com/rate-change-tools/\)](https://postaladvocate.com/rate-change-tools/) to a simple chart of all the rates below

First-Class Mail® Single Piece – 6% – 17% Increase

First-Class Mail® Retail						
Weight Ounces	Letters			Flats		
	Prior to 07/14/24	New Rates 07/14/24	% Increase	Prior to 07/14/24	New Rates 07/14/24	% Increase
1	\$0.68	\$0.73	7.4%	\$1.39	\$1.50	7.9%
2	\$0.92	\$1.01	9.8%	\$1.63	\$1.77	8.6%
3	\$1.16	\$1.29	11.2%	\$1.87	\$2.04	9.1%
6	N/A	N/A		\$2.59	\$2.87	10.8%
13	N/A	N/A		\$4.27	\$4.91	15.0%
Post Card	\$0.53	\$0.56	5.7%			

Metered Letters			
Weight Ounces	Letters		
	Prior to 07/14/24	New Rates 07/14/24	% Increase
1	\$0.640	\$0.690	7.8%
2	\$0.880	\$0.970	10.2%
3	\$1.120	\$1.250	11.6%



The price of a stamp First-Class Mail® Single Piece letters and Metered letters are seeing a \$.05 increase to \$0.69 and \$0.73. A single piece flat is increasing from \$1.39 - \$1.50. The biggest change is with the additional ounce rate. For letters it is \$.28 per additional ounce (vs. \$.24), which is a 17% increase. Flats are going up to \$.27 per additional ounce (vs. \$.24) which is a 13% increase. This is the first time we have seen a different additional ounce rate for letters vs. flats. Also, as items get heavier, you will have to budget for much larger price hikes.

First-Class Mail® Commercial – 6% - 21% Increase

Commercial First-Class Mail®										
		Letters			Flats*			Post Cards		
	Weight Ounces	Prior to 07/09/23	New Rates 07/09/23	% Increase	Prior to 07/09/23	New Rates 07/09/23	% Increase	Prior to 07/09/23	New Rates 07/09/23	% Increase
Automation 5 Digit	1	\$0.471	\$0.498	5.7%	\$0.689	\$0.831	20.6%	\$0.352	\$0.355	0.9%
Automation 3 Digit					\$0.896	\$1.037	15.7%			
Automation AADC	1	\$0.507	\$0.537	5.9%	\$0.955	\$1.098	15.0%	\$0.370	\$0.376	1.6%
Automation Mixed AADC	1	\$0.531	\$0.561	5.6%	\$1.068	\$1.234	15.5%	\$0.381	\$0.388	1.8%
Presorted (Non Automation)	1				\$1.185	\$1.270	7.2%			

Automation letters are going up 6% and Flats by 7-21%. To help to offset this increase, the credits for Seamless acceptance have increased from \$.001 to \$.002 (100% Increase) and for Full Service Intelligent Mail from \$.003 to \$.005 (67%).

With any increase, it becomes more important to look for ways to reduce costs. These are the options available:

Mail Piece Examples	Single Piece Rates			Automation Mail with Barcodes		
	First-Class Mail® Retail Single Piece	First-Class Mail® Metered Single Piece	Typical Presort Service - First-Class Mail®	First-Class Mail® - Automation	Marketing Mail® - Automation	Marketing Mail® Non Profit-Automation
1 Ounce #10 Envelope	\$0.73	\$0.69	\$0.622	\$.545-.622	\$.345-.402	\$.173-.23
3 Ounce Newsletter (6X9)	\$1.29	\$1.25	\$0.622	\$.545-.622	\$.345-.402	\$.173-.23
8 Ounce Flat (9X12)	\$3.43	\$3.43	\$3.330	\$2.804-3.33	\$1.045-1.399	\$.761-1.115
Post Card	\$0.56	\$0.56	\$0.419	\$.384-.419	n/a	n/a

- Use Meters or Online Postage to save \$.04 on letters.
- Consider presort services if you run over 500 pieces per day or have one-time mailings over 1000 pieces.
- Automating your mailings in house or through third party mail services to have drastic postage savings.
- Presort and automation levels go up to 3.5 ounces for the same base rate.
- Flats and postcards can have the same automation rates as letters.



- Consider moving generic content mail from First Class to Marketing Mail®

Marketing Mail®– 0-13% Increase

Marketing Mail®							
		Letters			Flats		
	Weight Ounces	Prior to 07/14/24	New Rates 07/14/24	% Increase	Prior to 07/14/24	New Rates 07/14/24	% Increase
Automation 5 Digit	≤3.5	\$0.330	\$0.345	4.5%	\$0.639	\$0.687	7.5%
Automation 3 Digit					\$0.816	\$0.864	5.9%
Automation AADC/ADC	≤3.5	\$0.365	\$0.380	4.1%	\$0.923	\$0.971	5.2%
Automation Mixed AADC/ADC-Origin	≤3.5	\$0.385	\$0.402	4.4%	\$1.006	\$1.041	3.5%
Marketing Mail® Nonprofit							
		Letters			Flats		
	Weight Ounces	Prior to 07/14/24	New Rates 07/14/24	% Increase	Prior to 07/14/24	New Rates 07/14/24	% Increase
Automation 5 Digit	≤3.5	\$0.173	\$0.173	0.0%	\$0.400	\$0.451	12.8%
Automation 3 Digit	≤4				\$0.577	\$0.628	8.8%
Automation AADC/ADC	≤3.5	\$0.208	\$0.208	0.0%	\$0.684	\$0.735	7.5%
Automation Mixed AADC/ADC-Origin	≤3.5	\$0.228	\$0.230	0.9%	\$0.767	\$0.805	5.0%

Marketing Mail® Letter rates are increasing at approximately 0-4% while Flats are going up at 4-13%. The biggest change is occurring with heavy weight flats over 4 ounces. With these items there is a per piece and per pound rate needed to calculate the rate. As you can see from the chart below, the per piece rate is going up 3-13% and the per pound rate is going up by a whopping 37-47%.



Marketing Mail® Commercial Flats > 4 Oz							
		Per Piece			Per Pound		
	Weight Ounces	Prior to 07/14/24	New Rates 07/14/24	% Increase	Prior to 07/14/24	New Rates 07/14/24	% Increase
Automation 5 Digit	>4	\$0.639	\$0.687	7.5%	\$0.901	\$1.234	37.0%
Automation 3 Digit	>4	\$0.816	\$0.864	5.9%	\$0.901	\$1.234	37.0%
Automation AADC/ADC	>4	\$0.923	\$0.971	5.2%	\$0.901	\$1.234	37.0%
Automation Mixed AADC/ADC-Origin	>4	\$1.006	\$1.041	3.5%	\$0.901	\$1.234	37.0%
Marketing Mail® Nonprofit Flats > 4 Oz							
		Per Piece			Per Pound		
	Weight Ounces	Prior to 07/14/24	New Rates 07/14/24	% Increase	Prior to 07/14/24	New Rates 07/14/24	% Increase
Automation 5 Digit	>4	\$0.400	\$0.451	12.8%	\$0.707	\$1.042	47.4%
Automation 3 Digit	>4	\$0.577	\$0.628	8.8%	\$0.707	\$1.042	47.4%
Automation AADC/ADC	>4	\$0.684	\$0.735	7.5%	\$0.707	\$1.042	47.4%
Automation Mixed AADC/ADC-Origin	>4	\$0.767	\$0.805	5.0%	\$0.707	\$1.042	47.4%

The best way to save money is to move mail closer to its final location utilizing destination entry level discounts. The savings for letters and lightweight flats decrease by 7-23%, but the savings for heavy weight flats are seeing an amazing 423-531% increase. This can offset the 47% increase we are seeing in the per pound rate above.

Destination Entry Discounts for Marketing Mail									
	Letters			Flats <4 Ounces			Flats >4 Ounces		
	Prior to 07/14/24	New Rates 07/14/24	% Change	Prior to 07/14/24	New Rates 07/14/24	% Change	Prior to 07/14/24	New Rates 07/14/24	% Change
DNDC	\$0.027	\$0.024	-11.1%	\$0.071	\$0.066	-7.0%	\$0.071	\$0.448	531.0%
DSCF	\$0.035	\$0.027	-22.9%	\$0.091	\$0.070	-23.1%	\$0.091	\$0.476	423.1%

USPS Competitive Services

The good news is Priority Mail®, Priority Mail® Express and Ground Advantage are not changing rates. We expect they will increase with the January 2025 rate increase, similar to what occurs with UPS® and FedEx®.



USPS Competitive Services

Special Services	Retail			Electronic			
	Prior to 07/14/24	New Rates 07/14/24	% Increase	New Rates 07/14/24	New Rates 07/14/24	% Increase	
Certificate of Mailing	\$2.00	\$2.20	10.0%				
Registered™ without Insurance	\$16.80	\$18.60	10.7%				
Certified Mail™	\$4.40	\$4.85	10.2%				
Return Receipt	\$3.65	\$4.10	12.3%	\$2.32	\$2.62	12.9%	
Insurance \$100	\$3.50	\$3.15	-10.0%				
Insurance \$500	\$9.15	\$8.25	-9.8%				
Marketing Mail® parcels Tracking				\$0.29	\$0.29	0.0%	
Signature Confirmation	\$4.15	\$4.55	9.6%	\$3.50	\$3.70	5.7%	
Annual Permit Fees	\$320.00	\$350.00	9.4%				
Business Reply Mail							
Permit Fee	\$320.00	\$350.00	9.4%				
Account Maintenance Fee	\$930.00	\$1,020.00	9.7%				
Quarterly Fee	\$3,200	\$3,470	8.4%				
Basic	\$1.07	\$1.15	7.5%				
High Volume	\$0.133	\$0.144	8.3%				
QBRM Basic	\$0.091	\$0.050	-45.1%				
QBRM High Volume	\$0.019	\$0.030	57.9%				

Special Services are seeing their largest rate hike in years averaging over 10%! The most common special service is Certified with Return Receipts where the overall increase of 11%. One bright spot is the cost of USPS Insurance went down by 10%

Additional Rate Change Items

First-Class Mail International®									
Group	1 Ounce			2 Ounce			Post Cards		
	Prior to 07/14/24	New Rates 07/14/24	% Increase	Prior to 07/14/24	New Rates 07/14/24	% Increase	Prior to 07/14/24	New Rates 07/14/24	% Increase
Canada	\$1.55	\$1.65	6.5%	\$1.55	\$1.65	6.5%	\$1.55	\$1.65	6.5%
Mexico (Group 2)	\$1.55	\$1.65	6.5%	\$2.35	\$2.50	6.4%	\$1.55	\$1.65	6.5%
Group 3-5	\$1.55	\$1.65	6.5%	\$2.80	\$2.98	6.4%	\$1.55	\$1.65	6.5%
Group 6-9	\$1.55	\$1.65	6.5%	\$2.80	\$2.98	6.4%	\$1.55	\$1.65	6.5%



Library Mail				Media Mail			
Weight LB's	Single Piece			Weight LB's	Single Piece		
	Prior to 07/14/24	New Rates 07/14/24	% Increase		Prior to 07/14/24	New Rates 07/14/24	% Increase
1	\$3.92	\$4.40	12.2%	1	\$4.13	\$4.63	12.1%
2	\$4.62	\$5.11	10.6%	2	\$4.87	\$5.38	10.5%
5	\$6.72	\$7.24	7.7%	5	\$7.09	\$7.63	7.6%
10	\$10.25	\$10.79	5.3%	10	\$10.82	\$11.38	5.2%

Conclusion

29-64% increases in 3 years is unheard of and is impacting every organization. Mailers are going to need to look for savings strategies to help offset these changes. Our recommendation is to create visibility to all mailings and look for automation methods where applicable to reduce the cost and streamline production.

To budget for this increase, you need to look at the type of items you are sending, and the weight and zones that are most common, to truly estimate the impact. We have developed a Microsoft Excel-based budget calculator that you can download for free (<https://postaladvocate.com/rate-change-tools/>) that should help you better plan for this year. Some of the most popular USPS classes are going up at the highest rates but luckily there are ways to help mitigate this through automation and technology.



Class	Weight	% Of Class	% Change	Estimated Current Spend	Estimated New Spend	Difference
First-Class Mail® Metered Letters	1	85%	7.8%			
	2	10%	10.2%			
	3	5%	11.6%			
Total			8.2%		\$0.00	\$0.00
First-Class Mail® Flats			10%		\$0.00	\$0.00
First-Class Mail® Automation Letters			8%		\$0.00	\$0.00
First-Class Mail® Automation Flats			8%		\$0.00	\$0.00
Certified with Return Receipt			11%		\$0.00	\$0.00
Priority Mail® Express Retail			0%		\$0.00	\$0.00
Priority Mail® Express Commercial			0%		\$0.00	\$0.00
Priority Mail® Retail			0%		\$0.00	\$0.00
Priority Mail® Commercial			0%		\$0.00	\$0.00
Ground Advantage® Retail			0%		\$0.00	\$0.00
Ground Advantage® Commercial			0%		\$0.00	\$0.00
Marketing Mail®						
Letters			4%		\$0.00	\$0.00
Flats			6%		\$0.00	\$0.00
Other Misc Mail			8%		\$0.00	\$0.00
Total				\$0.00	\$0.00	\$0.00

Adam Lewenberg, CMDSS, MDC, President/CEO of Postal Advocate Inc., runs the largest Mail Audit and Recovery firm in the United States and Canada. They manage the biggest shipping & mail equipment fleet in the world and their mission is to help organizations with multi-locations reduce mail and parcel related expenses, recover lost postage funds, and simplify visibility and oversight. Since 2011, they have helped their clients save an average of 56% and over \$81 million on equipment, presort, avoidable fees, and lost postage. He can be reached at (617) 372-6853 or adam.lewenberg@postaladvocate.com.

