WORLDCOLOR LOGISTICS

NEWSFLASH

USPS Confirms No Price Increase for 2010
October 15, 2009
Worldcolor Logistics NEWS FLASH - Issue #259

Postmaster General Jack Potter has delivered some good news this afternoon, 2010 will not see a price increase for market dominant products. Although the economic climate has presented some challenges for the USPS, they recognize the concerns of their clients. Products that will not see an increase in 2010 include: First-Class Mail, Standard Mail, Periodical Mail and single-piece Parcel Post. A price increase for USPS Priority, Express Mail, Parcel Select and most international products is still under review.

October 15, 2009

DMM Advisory

Pricing — keeping you informed about the prices and mailing standards of the United States Postal Service

To Postal Service Customers:

Many of you have expressed concerns regarding mailing costs for 2010. The tough economic climate has presented significant challenges to all of us and pessimistic speculation has suggested that postal prices could increase by as much as 10 percent.

As we begin a new fiscal year and as many of you, our business clients, are preparing your 2010 operating budgets, we want to end all speculation.

The Postal Service will not increase prices for market dominant products in calendar year 2010.

Simply stated, there will not be a price increase for market dominant products including First-Class Mail, Standard Mail, periodicals, single-piece Parcel Post. There will be no exigent price increase for these products.

This is the right decision at the right time for the right reason. Promoting the value of mail and encouraging its continued use is essential for jobs, the economy, and the future of both the Postal Service and the mailing industry.

While increasing prices might have generated revenue for the Postal Service in the short term, the long term effect could drive additional mail out of the system. We want mailers to continue to invest in mail to grow their business, communicate with valued customers, and maintain a strong presence in the marketplace. Changes in pricing for our competitive products—Priority Mail, Express Mail, Parcel Select, and most international products—are under consideration. We expect to announce a decision in November.

We are committed to working with customers to find ways to grow the mail through innovative incentives like the Summer Sale and contract pricing. Mail is the most effective means of communication and advertising and we will continue to work together to increase the value of the mail. Mail is a smart investment for the future.

The *Domestic Mail Manual* (DMM) is available on Postal Explorer (pe.usps.com). To subscribe to the DMM Advisory, send an e-mail to dmmadvisory@usps.com. Simply indicate "subscribe" in the subject line.

For more information regarding Worldcolor Logistics or for access to past news publications, visit our Web site at www.worldcolorlogistics.com.

Chantelle Mika
Worldcolor Logistics