



## USPS Rate Hike Rejected

As you may have heard, the PRC (Postal Rate Commission) unanimously rejected requests by the Post Office to raise postage rates in January beyond the rate of inflation. Essentially, they ruled that the USPS' financial struggles were caused by a flawed business model and not the recent recession—and that they did not show that they had done enough work internally to justify asking consumers to pay more.

### What this Means for You?

This is great news for our direct mail clients and partners! This keeps an effective and affordable communications medium—direct mail—at the forefront of marketing and informational channels. Mail will continue to be one of the highest return-on-investment modes of doing business.

### What's Next?

The USPS will proceed with their normal annual inflation-based rate hike appeal. Like in the past two years, they will submit the request in January with the implementation in May. This increase will likely be only about 2% overall and probably \$0.01 on first class letters.

The USPS will now push even harder for legislation to make changes to the basic system, like closing or consolidating branches and eliminating Saturday delivery.

For more information on this topic: please contact your Client Service Representative at 317-872-4490 or [info@FinelinePrintingGroup.com](mailto:info@FinelinePrintingGroup.com) to discuss any of this further.



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*We will not ask for your business until we can improve it.*