



February 10, 2023

Mr. Ivan D. Butts
President
National Association of Postal
Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Ivan:

As a matter of general interest, today, the Postal Service filed notice with the Postal Regulatory Commission (PRC) regarding its intent to replace the existing First-Class Package Service category with USPS Ground Advantage to take effect July 9, 2023.

If favorably reviewed by the PRC, USPS Ground Advantage will simplify package shipping options for customers by enhancing its ground product offerings by upgrading 2-5 day service standards for packages up to 70 pounds, improving service reliability, while providing affordable pricing.

USPS Ground Advantage is part of the Postal Service's 10-year "Delivering for America" plan to achieve financial stability and service excellence, defined as meeting or exceeding 95 percent on-time delivery across all product categories.

Enclosed is the Press Release, and "Talking Points and Q&A" relevant to this matter.

Please contact Bruce Nicholson at extension 7773 if you have questions concerning this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "James Lloyd".

James Lloyd
Director
Labor Relations Policies and Programs

Enclosures



FOR IMMEDIATE RELEASE
Feb. 10, 2023

POSTAL NEWS

Contact: Felicia Lott
Felicia.M.Lott@usps.gov
usps.com/news



USPS Ground Advantage: Product and Pricing Simplicity, Service Reliability, Affordable Shipping Solution

United States Postal Service files with PRC to streamline package options for consumers and businesses of all sizes through new product offering — USPS Ground Advantage

WASHINGTON — As part of its overall strategy to enhance its shipping offerings, the United States Postal Service today filed a procedural filing with the Postal Regulatory Commission (PRC) notifying the commission of the Postal Service's intention to replace its existing First-Class Package Service category with USPS Ground Advantage. USPS Ground Advantage will feature two-to five day service standards for packages up to 70 pounds.

The filing streamlines and simplifies package shipping options for customers and enhances the Postal Service's ground product offering with the anticipated summer 2023 launch of its improved ground product — USPS Ground Advantage.

Improving Package Delivery For America

Over the past year, the Postal Service has focused on improving its package offerings by improving service reliability, lowering prices, and simplifying shipping product offerings:

- **Lower Prices for Shipping Services.** In January 2022, the Postal Service implemented new pricing for Shipping Services. As a result of implementation of approved price changes, shipping rates for USPS Retail Ground products reduced by 7 percent, and rates for Parcel Select Ground reduced by 12 percent, on average. USPS Retail Ground and Parcel Select Ground prices remain at the lowered, January 2022 rates. Pricing tables are available on the Postal Service's Postal Explorer website at pe.usps.com/text/dmm300/notice123.htm.
- **Improved Reliability Through Upgraded Service Standards.** In August 2022, the Postal Service implemented upgraded service standards for its USPS Retail Ground and Parcel Select Ground products, aligning service standards with the current First-Class Package Service product within the contiguous United States. Service standards for these products were accelerated from two-to-eight-days to two-to-five-days for the same affordable price.
- **Simplifying Shipping Product Offerings.** On October 28, 2022, the Postal Service was granted approval by the PRC to remove USPS Retail Ground from the Competitive product list, eliminate Parcel Select Ground from the Parcel Select product, and expand First Class Package Service to 70lbs among other enhancements. In today's filing, the Postal Service is notifying the Commission of its intent to rename the First-Class Package Service product and introduce the Postal Service's enhanced ground product — USPS Ground Advantage. USPS Retail Ground, Parcel Select Ground, and First-Class Package Service will be incorporated into USPS Ground Advantage.

The Postal Service's focus on improving shipping offerings for the American public and business customers is in keeping with the [Delivering for America](#) 10-year plan to achieve financial stability and service excellence, defined as meeting or exceeding 95 percent on-time delivery across all product categories.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to nearly 165 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, [Delivering for America](#), to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

The Postal Service generally receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

For USPS media resources, including broadcast quality video and audio and photo stills, visit the [USPS Newsroom](#). Follow us on [Twitter](#), [Instagram](#), [Pinterest](#) and [LinkedIn](#). Subscribe to the [USPS YouTube Channel](#) and like us on [Facebook](#). For more information about the Postal Service, visit [usps.com](#) and [facts.usps.com](#).

Talking Points and Frequently Asked Questions

USPS Notifies Postal Regulatory Commission of Intent to Replace Existing First-Class Package Service Product with USPS Ground Advantage

Talking Points

- As part of its overall strategy to enhance its shipping offerings, the Postal Service has filed with the Postal Regulatory Commission (“PRC” or “Commission”) notifying the Commission of the Postal Service’s intention to replace its existing First-Class Package Service product with USPS Ground Advantage.
- The filing streamlines and simplifies package shipping options for customers and enhances the Postal Service’s ground product offering with the anticipated summer 2023 launch of its improved ground product — USPS Ground Advantage.
- This is the third phase of an initiative designed to simplify the Postal Service’s ground product offering from three products – USPS Retail Ground, Parcel Select Ground, and First-Class Package Service, into a single affordable and reliable ground product
- The changes are in keeping with the [Delivering for America](#) 10-year plan to achieve financial stability and service excellence, defined as meeting or exceeding 95 percent on-time delivery across all product categories.

FAQs

1. What is the Postal Service doing today?

Today the Postal Service filed with the Postal Regulatory Commission (“PRC” or “Commission”) notifying the Commission of the Postal Service’s intent to replace its existing First-Class Package Service product with USPS Ground Advantage.

2. Does the PRC need to approve today’s filing?

Although the large-scale structural changes to First-Class Package Service have previously been approved there are other minor changes that need to be reviewed by the Commission.

3. When would these changes go into effect?

The planned changes are scheduled to take effect on July 9, 2023.

4. What else has the Postal Service done to enhance its ground products offerings?

The Postal Service is enhancing its ground product offerings by upgrading service standard to 2-5 days, improving service reliability, simplifying shipping product offerings, and providing affordable pricing.

In January 2022, USPS reduced shipping prices for Retail Ground and Parcel Select Ground. The prices for these products did not increase in January 2023. The January 2022 prices remain in effect today.

Second, in August 2022, USPS Retail Ground and Parcel Select Ground accelerated from two-to-eight days to two-to-five-days for the contiguous US. Operational and transportation efficiencies were gained by leveraging the First-Class Package Service network for Parcel Select Ground and USPS Retail Ground.

As previously announced, the Postal Service is simplifying its competitive ground package service products by: (1) removing USPS Retail Ground from the Competitive product list (*i.e.*, discontinuing the product); (2) eliminating Parcel Select Ground from the Parcel Select product; and (3) expanding and enhancing the existing First-Class Package Service product. This expanded and enhanced First-Class Package Service product will now be replaced as USPS Ground Advantage.

USPS GROUND ADVANTAGE PRODUCT FAQ

5. What is USPS Ground Advantage?

USPS Ground Advantage is the Postal Service's enhanced ground solution. It is simple, reliable and affordable ground solution for packages from 1 oz to 70 pounds. The product is planned to be launched in July 2023.

6. Why is the Postal Service launching Ground Advantage?

USPS is focused on strengthening its shipping solutions as part of the Postal Service's 10-year strategic plan for service excellence, on-time delivery, and revenue generation from enhanced package delivery services. The plan seeks to balance the Postal Services' shipping products portfolio by streamlining its product suite to meet the demands of the modern consumers and businesses it serves. This will be achieved by the Postal Service modernizing its network, improving mailing and shipping options for customers, and expanding reach to offer cost-efficient and reliable products and services.

7. Will the service standards be improved from previous service standards implemented in August 2022?

The service standard for USPS Ground Advantage will be the same as the existing service standard for First-Class Package Services

8. How will HAZMAT and live animal contents alter delivery of USPS Ground Advantage packages?

Certain types of hazardous materials and live animals are restricted from air transportation, and as such, will travel via vessel transportation to offshore destinations. In many cases, packages containing hazardous materials or live animals may experience longer delivery windows.

9. What can customers expect with this new product?

USPS Ground Advantage provides an affordable and reliable two-to five-day shipping solution to meet customer needs; it is an enhanced shipping experience opportunity for customers and businesses to better meet their needs and maximize value.