



DELIVERING FOR AMERICA

What you need to know about the United States Postal Service® Plan to achieve financial sustainability and service excellence

FIRST CLASS PACKAGE SERVICE® (FCPS) SERVICE STANDARD CHANGES

As part of our continued efforts to improve service reliability, the Postal Service® is adjusting the service standards for First-Class Package Service (FCPS). This change would position us to leverage more cost-effective means to transport First-Class packages via ground rather than using costly air transportation, which is also less reliable due to weather, flight traffic, availability constraints, competition for space, and the added hand-offs involved.

Whether it's 300 miles or 3,000 miles, the current standard requires 3-day service for any destination within the contiguous U.S. with a drive time greater than 6 hours. This is unattainable and forces us to overly rely on air transportation, yielding unreliable service. With this change of offering 2- to 5-day service based on distance, we will improve service reliability and predictability for customers, while also driving efficiencies across the Postal Service network.

This service standard change will also expand our 2-day FCPS reach to better position us in the 1- to 2-day market, a market that is growing as consumer expectations change.

**Key change to enable 95%
on-time delivery**

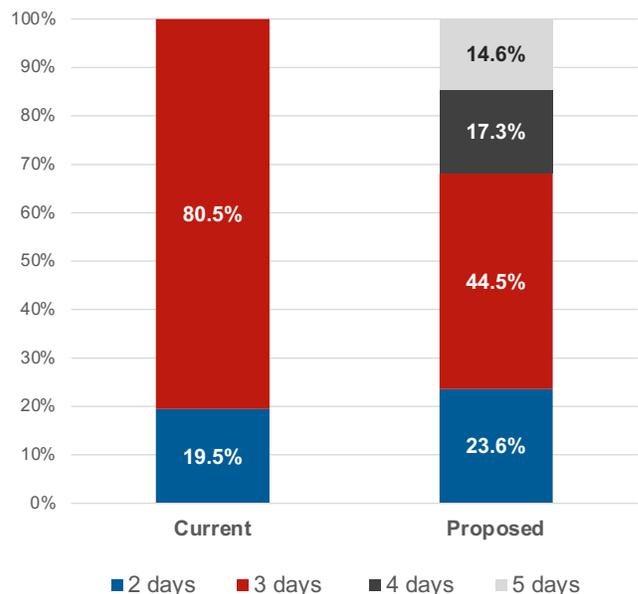
**68% of First-Class Package Service
volume will have a service standard of
2-3 days.**

WHAT IS CHANGING? WHY?

The Change: The majority of FCPS volume will not be impacted - 68% would still be subject to a standard of 2-3 days. Some FCPS (4% of volume) will upgrade from a 3-day to a 2-day service standard, allowing us to better compete in the 1- to 2-day market by providing our customers with the timely delivery they expect. Meanwhile, 17% of 3-day FCPS volume will shift to a 4-day service standard, and 15% will shift to a 5-day service standard. Packages traveling the longest distances (e.g., New York to California) will be most affected.

The Need: These changes position us to better utilize our existing ground network, in which the average truck currently runs approximately 40 percent full. By moving more packages via surface transportation than air, we will improve service reliability, increase efficiency, and reduce costs.

First-Class Package Volume % by Service Standard



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Q: Are the proposed changes to First-Class Package Service (FCPS) the same as those proposed for First-Class Mail (FCM)?

A: Currently, FCPS standards are the same as FCM single-piece service standards (2-3 days within the contiguous U.S., 2-5 days for offshore). Once our proposed changes are implemented, FCPS and FCM standards would no longer be identical. For example, while we are proposing to narrow the 2-day standard for FCM letters and flats from a 6-hour drive time to a 3-hour drive time, we will expand the 6-hour drive time for the 2-day FCPS standard to 8 hours.

Q: What's the difference between First-Class Mail and First-Class Package Service?

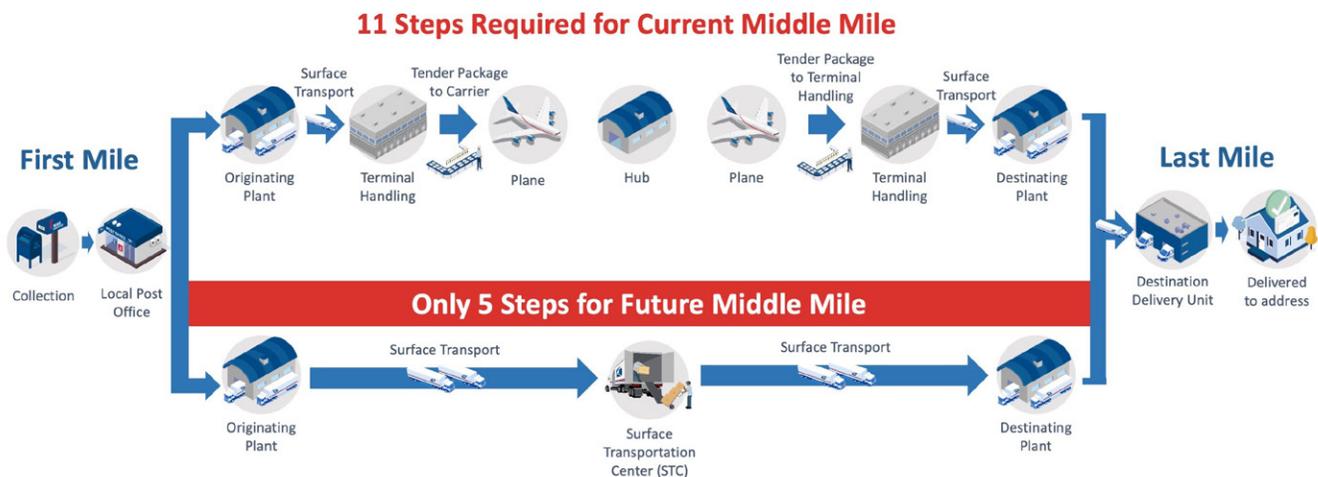
A: FCM is designed for standard sized letters and flats; FCPS is primarily designed for shipping small, lightweight packages. Maximum weight and prices differ.

Q: Do I still have an option to send a package across the country within three days?

A: Yes, customers may still opt to use Priority Mail Express® and Priority Mail® services to ship packages within the contiguous U.S. with a 1-to-3-day service standard.

DID YOU KNOW?

The Postal Service does not own planes. When we transport mail and packages via air, we are subject to uncontrollable factors such as weather, delays, and space availability on charter flights. Our surface network has proved more reliable, and our trucks currently have available space for additional packages.



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