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## Postal Service Priority Mail Flat Rate Boxes Celebrate Birthday

Six Years of Growth Add Up to a Total Success Package

WASHINGTON — Priority Mail Flat Rate Boxes are set to celebrate six years of unprecedented success in the expedited shipping industry, making their mark in a crowded marketplace by delivering a unique set of product attributes along with an award-winning ad campaign debunking the widely held perception that "shipping is complicated."

Since their debut on Nov. 20, 2004, Priority Mail Flat Rate Boxes from the U.S. Postal Service have changed the dynamics of the shipping industry and consistently expanded their presence in the marketplace by delighting consumers with their simplicity and convenience, attracting business shippers with an impressive value proposition, and confounding competitors attempting to match their ability to reach virtually every address in the nation. Factor in their versatility for domestic and international shipping and eco-friendly packaging — along with the discounts, free electronic option for Delivery Confirmation and free package pickup at <a href="mailto:usps.com">usps.com</a>— and it all adds up to a total success package.

Performance results showcasing Priority Mail Flat Rate Boxes as a shipping product of choice include:

- Average year-over-year volume growth rate of 58 percent
- Volume for fiscal year 2010 at 127.7 million pieces, 77 percent above the previous fiscal year
- Revenue for fiscal year 2010 at \$1.2 billion, 63 percent above the previous fiscal year
- Nearly 12 million Priority Mail Flat Rate Boxes shipped in September 2010 the highest total for any September
- Over 350 million Priority Mail Flat Rate Boxes shipped since the service began Nov. 20, 2004, or more than one for every person in the United States.

"The marketplace has embraced this product, and it now occupies a unique place in the mind of consumers," said Gary Reblin, vice president, Shipping Services. "Despite the impact of a recession and the constraints of an outdated business model, the growth story for the Flat Rate Box is still being written. Its success shows the Postal Service has the ability to design a unique, innovative product line and compete effectively when given the opportunity to do so."

Reblin also credited the resounding success of the product to the performance of Postal Service employees, along with a multi-year award-winning advertising campaign featuring the familiar letter carrier AI, providing his simple, sage advice, "If it fits, it ships." Created and implemented under the leadership of USPS Advertising and the Campbell–Ewald advertising agency, the fully integrated campaign is a success story in its own right, garnering numerous industry honors, including four awards in 2010 for its creative advertising and marketing.

Reblin says Priority Mail Flat Rate Boxes have many unique attributes, including:

- No hidden fees or surcharges
- No need to weigh contents or calculate postage (up to 70 pounds for domestic shipments)
- Free packaging supplies available online, by telephone, or in person at most Post Offices
- Environmentally friendly packaging
- Postage discount when shipping online using Click-N-Ship or a PC Postage vendor

- Free Delivery Confirmation when using Click-N-Ship or a PC Postage vendor
- Free Package Pickup when using Click-N-Ship or a PC Postage vendor
- Delivery to every U.S. address, as well as Post Office Boxes and military addresses
- Delivery to Alaska, Hawaii, Puerto Rico, Guam and the U.S. Virgin Islands at domestic prices
- Commercial pricing for high-volume shippers.

Priority Mail was first introduced by the Postal Service in 1968, with the Priority Mail Flat Rate Envelope making its debut on Feb. 3, 1991. Other USPS expedited shipping innovations include being first to pilot overnight delivery of mail beginning in 1970 prior to offering Express Mail as a permanent service class in 1977.

Postage on Priority Mail Flat Rate Boxes is the same low rate to any state, and the boxes are available in four different sizes, with prices starting as low as \$4.95:

- Small Flat Rate Box, 8 5/8" x 5 3/8" x 1 5/8", at \$4.95
- Medium Flat Rate Box, 11" x 8 1/2" x 5 1/2", at \$10.70
- Medium Flat Rate Box, 13 5/8" x 11 7/8" x 3 3/8", at \$10.70
- Large Flat Rate Box, 12" x 12" x 5 1/2", at \$14.50 (\$12.50 when shipping to military personnel at APO/FPO/DPO addresses overseas)

Priority Mail Flat Rate Boxes allow shippers to place up to 70 pounds in domestic packaging, up to 20 pounds in Priority Mail International medium-size and large boxes, and up to four pounds in Priority Mail International Flat Rate Envelopes.

In addition to Priority Mail Flat Rate Boxes, the Postal Service offers a Priority Mail Flat Rate Envelope (9  $\frac{1}{2}$  x 12  $\frac{1}{2}$ ") for \$4.90, along with a Gift Card Flat Rate Envelope, Window Flat Rate Envelope, and Small Flat Rate Envelope.

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

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A self-supporting government enterprise, the U.S. Postal Service is the only delivery service that reaches every address in the nation, 150 million residences, businesses and Post Office Boxes. The Postal Service receives no direct support from taxpayers. With 36,000 retail locations and the most frequently visited website in the federal government, the Postal Service relies on the sale of postage, products and services to pay for operating expenses. Named the Most Trusted Government Agency six consecutive years and the sixth Most Trusted Business in the nation by the Ponemon Institute, the Postal Service has annual revenue of more than \$68 billion and delivers nearly half the world's mail. If it were a private sector company, the U.S. Postal Service would rank 28th in the 2009 Fortune 500.